

UNIVERSITY OF VICTORIA
BOARD OF GOVERNORS
Tuesday, May 31, 2016
11:00 a.m. – 12:00 p.m.
Administrative Services Building
Lobby Boardroom 120

AGENDA - OPEN BOARD

Welcome

1. Approval of Agenda

MOTION:

THAT the agenda of the open session of the regular meeting of May 31, 2016 be approved.

2. Summary Record of Regular Meeting of March 30, 2016 (attached)

MOTION:

THAT the summary record of the open session of the regular meeting of March 30, 2016 be approved.

- 3. Business Arising
- 4. Remarks from the Chair
- 5. Correspondence
 - a. 2016/17 Mandate Letter for Public Post-Secondary Institutions (attached)

CONSENT

- 6. Audit Committee (T. Redies)
 - a. Revisions to Policy on Internal Audit (GV0220) BOG-May31/16-03

MOTION:

THAT the Board of Governors approve the Revised Policy on Internal Audit (GV0220).

7. Operations and Facilities Committee (M. Kennedy)

a. New and Revised Awards BOG-May31/16-26

MOTION:

THAT the Board of Governors approve the new and revised graduate and undergraduate awards set out in the attached documents and listed below:

- Linda Vey Scholarship (revised)*
- Rose Won Lau Business Scholarship (revised)*
- Big Picture Conference Inc. Scholarship in Service Management (new)
- Kutzschan Graduate Scholarship in Philosophy (new)*
- L.E. Frances Druce Scholarship in Music (new)*
- Langford-Seaborn Scholarship (revised)*
- L.E. Frances Druce Collaborative Piano Prize (new)*
- L.E. Frances Druce Student Travel Award (new)*
- Spiritbear Foundation Scholarship in the School of Child and Youth Care (new)
- Alumni Association Vikes Award (new)*
- M.A. & D.E. Breckenridge Education Graduate Award (revised)*
- Brian Jackson and Denys Mailhiot Scholarship (new)*
- L.E. Frances Druce Bursary in Law (new)*
- L.E. Frances Druce Bursary in Science (new)*
- Cuchulain Vikes Rugby Award (revised)*
- Leonard and Eileen Hamilton Scholarship in Spanish & Italian Studies (new)
- Alumni Association Bursary for Active, Healthy Living (new)*
- Beulah Daniels Memorial Scholarship in Music (revised)*
- Claire Watson Fellowship (new)
- Commander Peter Chance Masc Graduate Fellowship (revised)*
- Dr. James B. Haddow Scholarship (new)
- Dr. Jean Downie Dey Memorial Award (new)*
- Dr. Jean Downie Dey Centennial Scholarship (new)*
- Dr. Jean Downie Dey Student Mobility Award (new)*
- Elias Mandel Prize for Study Abroad in Humanities (revised)*
- Fasken Martineau Dumoulin LLP Entrance Scholarship (new)
- Fasken Martineau Dumoulin LLP First Year Law Scholarship (new)*
- Fasken Martineau Dumoulin LLP Indigenous Entrance Scholarship (new)
- Germanic Studies Graduate Scholarship (revised)*
- Ian Cameron Scholarship in Educational Measurement & Evaluation (new)*
- Kutzschan Graduate Scholarship in Forest Biology (new)*
- Kutzschan Graduate Scholarship in Music (new)*
- Lorna Crozier Scholarship (new)*
- Marilyn McCall Bursary in Psychology (new)*
- Mary Marjorie Horan Scholarship (new)*
- Nicholas Thomas Mathers Memorial Bursary (new)*
- Phoenix Bursary (new)
- Richard and Margaret Beck Student Research Travel Award (revised)*

- Roger Odlum Bursary in Business and Dispute Resolution (new)
- School of Music Women's Choral Scholarship (revised)
- Sinclair Farris Award (revised)*
- Sophia M. Terhart Vittali Scholarship (new)
- Theatre Retirees Scholarship (new)
- Victoria Chinatown Lioness Club Graduate Bursary (revised)*
- VNHS Dennis and Lyndis Davis Scholarship (new)*

b. Minor in Digital and Interactive Media in the Arts (DIMA) BOG-May31/16-27

MOTION:

That the Board of Governors approve, subject to funding, the establishment of a Minor in Digital and Interactive Media in the Arts (DIMA), as described in the document "Proposal for Minor in Digital and Interactive Media in the Arts (DIMA)", dated February 10, 2016, and that this approval be withdrawn if the program should not be offered within five years of the granting of approval.

c. Interdisciplinary Undergraduate Certificate Program in the Human Dimensions of Climate Change BOG-May31/16-28

MOTION:

That the Board of Governors approve, subject to funding, the establishment of an Interdisciplinary Undergraduate Certificate Program in the Human Dimensions of Climate Change, and that this approval be withdrawn if the program should not be offered within five years of the granting of approval.

- d. Status Report on Capital Projects BOG-May31/16-15
- 8. Finance Committee (L. LeBlanc)
 - a. Purchasing Policy (FM5105) Revision BOG-May31/16-14

MOTION:

THAT the Board of Governors approve the amendment of Purchasing Policy (FM5105) to include the purchase of food products for resale by University Food Services under the responsibility of the Director, University Food Services, to the list of goods and services excluded from the policy.

- b. 2015 Annual Reports and Financial Statements: University of Victoria Combination Pension Plan, and University of Victoria Money Purchase Pension Plan BOG-May31/16-13
- c. University of Victoria Staff Pension Plan Financial Statements for the Year Ended December 31, 2015 BOG-May31/16-31

^{*} Administered by the University of Victoria Foundation

d. University of Victoria Staff Pension Plan Compliance Report for the Year Ended December 31, 2015 from the Staff Pension Plan Governance Committee BOG-May31/16-32

Pro Forma Motion: That the above motions be approved by the Board of Governors by consent.

REGULAR

- 9. Audit Committee (T. Redies)
 - a. 2015/2016 Financial Statements BOG-May31/16-18 (documents to follow)

MOTION:

THAT the Board of Governors approve the 2015/2016 Audited Financial Statements and the appropriations as set out in the attached schedule; and

THAT the Chair of the Board of Governors and the Vice-President Finance and Operations be authorized to sign the statements on behalf of the Board of Governors.

- b. Guidelines for the Proper Management of Research Information Systems BOG-May31/16-01
- 10. Operations and Facilities Committee (M. Kennedy)
 - a. Annual report on University of Victoria approved Research Centres BOG-May31/16-24
 - b. Procedures for Interim Executive Appointments BOG-May31/16-35

MOTION:

THAT the Board of Governors approve the Procedures for Interim Executive Appointments effective July 1, 2016.

- 11. Finance (L. LeBlanc)
 - a. Signing Authority Policy (FM5100) BOG-May31/16-11
- 12. President's Report
 - a. External Relations Update BOG-May31/16-20
- 13. Other Business
- 14. Adjournment



UNIVERSITY OF VICTORIA BOARD OF GOVERNORS Wednesday, March 30, 2016, 11:00 a.m. Senate and Board Chambers

OPEN BOARD

DRAFT SUMMARY RECORD

Present: Mr. Nav Bassi, Prof. Jamie Cassels, Ms. Ida Chong, Ms. Daphne Corbett, Ms.

Kayleigh Erickson, Mr. Michael Kennedy, Ms. Lindsay LeBlanc, Ms. Isobel Mackenzie, Ms. Cathy McIntyre, Dr. Erich Mohr, Dr. Ana Maria Peredo, Ms. Bronte Renwick-Shields, Ms. Shelagh Rogers, Dr. Julia Eastman (Secretary)

Regrets: Dr. Hélène Cazes, Ms. Tracy Redies

By Invitation: Ms. Gayle Gorrill, Dr. David Castle, Ms. Carmen Charette, Dr. Valerie Kuehne,

Ms. Samantha Watkins, Ms. Carrie Andersen

Members of Divest UVic entered the Senate and Board Chambers and presented the president with a Petition in the form of paper windmills.

The meeting was called to order at 11:00 a.m.

1. Approval of Agenda

MOTION (K. Erickson/B. Renwick-Shields):

THAT the agenda of the open session of the regular meeting of March 30, 2016 be approved.

CARRIED

2. Summary Record of Regular Meeting of January 26, 2016

MOTION (D. Corbett/N. Bassi):

THAT the summary record of the open session of the regular meeting of January 26, 2016 be approved.

CARRIED

3. Business Arising

There was none.

4. Remarks from the Chair

There were none.

5. Correspondence

There was none.

CONSENT

- 6. Operations and Facilities Committee (M. Kennedy)
 - a. Master of Applied Science (MASc) in Civil Engineering BOG-Mar/16-22

MOTION:

THAT the Board of Governors approve the Master of Applied Science (MASc) in Civil Engineering and that this approval be withdrawn if the program should not be offered within five years of the granting of approval. Once the Board of Governors have approved the proposal, the proposal must be posted on the Ministry of Advanced Education website for peer review for a period of 30 days.

b. Doctor of Philosophy (PhD) in Civil Engineering BOG-Mar30/16-23

MOTION:

THAT the Board of Governors approve the Doctor of Philosophy (PhD) in Civil Engineering and that this approval be withdrawn if the program should not be offered within five years of the granting of approval. Once the Board of Governors have approved the proposal, the proposal must be posted on the Ministry of Advanced Education website for peer review for a period of 30 days.

c. Proposal for the Reinstatement of the Honours Program in Visual Arts BOG-Mar30/16-20

MOTION:

THAT the Board of Governors approve the reinstatement of the Honours Program in Visual Arts, to be effective immediately and that this approval be withdrawn if the program should not be offered within five years of the granting of approval.

d. Revisions to the Diploma in First Nations Government and Administration BOG-Mar30/16-21

MOTION:

THAT the Board of Governors approve changing the title of the Diploma in First Nations Government and Administration to the Diploma in Indigenous

Community Development and Governance, as well as other changes to the program, to be effective immediately and that this approval be withdrawn if the program should not be offered within five years of the granting of approval.

e. New and Revised Awards BOG-Mar30/16-17

MOTION:

THAT the Board of Governors approve the new and revised graduate and undergraduate awards set out in the attached documents and listed below:

- Georgia Klap Award (new)*
- Anne McLaughlin Legacy Scholarship in Theatre (new)*
- Me to We Scholarship (new)
- Thomas M. Hess Scholarship in Indigenous Language Revitalization (revised)*
- Alumni Association Science Scholarship (new)*
- Alumni Association Humanities Scholarship (new)*
- Alumni Association Exercise Science, Physical and Health Education Scholarship (new)*
- Anne McLaughlin Legacy Scholarship in Education (new)*
- I-Witness Field School Travel Award (new)
- Zena Chaim Katz Family Travel Award for Holocaust Studies (new)*
- Phillip T. Young Memorial Scholarship in Music (revised)*
- Robert Evelyn Milnes Scholarship (new)*
- Lynette F. Hain Memorial Scholarship (new)*
- Lindisfarne Scholarship in Medieval Studies (new)*
- Canadian Society of Senior Engineers/Engineering Institute of Canada (CSSE/EIC) Vancouver Island Award (new)
- David Harris Flaherty Scholarship (revised)*
- Rob and Tammy Lipson Undergraduate Research Scholarship (new)*
- Youth Futures Education Award (new)
- Betty Dewick Scholarship in Music (new)*
- * Administered by the University of Victoria Foundation
- f. Status Report on Capital Projects BOG-Mar30/16-08

7. Finance Committee (L. LeBlanc)

- a. Short Term Investment Report to December 31, 2015 BOG-Mar30/16-07
- b. Collection & Remission of Student Fees for University of Victoria Students' Society (UVSS) BOG-Mar30/16-11

MOTION:

THAT the Board of Governors collect and remit the fees as approved by the UVSS members and as outlined in the letter of March 09, 2016 from the Chairperson of the UVSS to Jim Dunsdon, Associate Vice-President Student Affairs.

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c. Collection & Remission of Student Fees for Graduate Students' Society (GSS) BOG-Mar30/16-12

MOTION:

THAT the Board of Governors collect and remit fees for the GSS in 2016/17 as outlined in the letter dated March 3, 2016 from the Executive Director of the GSS to Gayle Gorrill, Vice-President Finance and Operations:

d. University of Victoria Money Purchase Pension Plan, Amendment No.14 BOG-Mar30/16-09

MOTION:

THAT the Board of Governors approve the attached Amendment No. 14 to the University of Victoria Money Purchase Pension Plan and the attached restated Trust Agreement and Schedule A, effective March 29th, 2016.

- 8. Executive and Governance Committee (E. Mohr)
 - a. Gustavson School of Business Executive Education Separate Legal Entity BOG-Mar30/16-13

Pro Forma Motion (J. Cassels/C. McIntyre):

That the above motions be approved by the Board of Governors by consent.

CARRIED

REGULAR

- 9. Operations and Facilities Committee (M. Kennedy)
 - a. Enrolment Projections for 2016-17 BOG-Mar30/16-16

Mr. Kennedy reported that the Committee had received and approved the Enrolment Projections for 2016-17.

MOTION (A. Peredo/S. Rogers):

THAT the Board of Governors approve the recommended enrolment level of 18,290 FTE for the 2016/17 academic year, subject to revisions in the event of new information regarding mandated growth, funding levels, and application rates, as approved by Senate at its meeting on March 4, 2016.

CARRIED

b. Approach to prevention of and response to incidents of sexualized violence on campus BOG-Mar30/16-28

Mr. Kennedy commented briefly on the university's current approach to prevention of and response to sexualized violence. He reminded Board members that the President had at previous meetings informed the Board of the process he was initiating to review

Open Board 4

the current policies and procedures.

President Cassels explained the stages involved in the review and the associated timeframe.

Ms. Erickson thanked the administration for recognizing the seriousness of incidents of sexualized violence on campus. She expressed concern that the university was failing survivors. She requested that immediate action be taken to better support survivors on campus.

In response to a comment by Ms. Renwick-Shields, Prof. Cassels said the process would be very consultative and would include students and stakeholder groups. Prof. Cassels confirmed that action was being taken and part of the charge of the working group would be to provide an interim report with recommendations on any immediate actions to be taken.

Vice-President Academic and Provost Valerie Kuehne added that she would welcome hearing concerns from the point of view of survivors. She said the university was entirely committed to being appropriately responsive.

c. Policy Review Annual Report BOG-Mar30/16-19

Mr. Kennedy reported that the Committee had received and reviewed the Policy Review Annual Report.

10. Finance Committee (L. LeBlanc)

a. 2016-17 to 2018-19 Planning and Budget Framework BOG-Mar30/16-06

Ms. LeBlanc reported that the Committee had received and approved the 2016-17 to 2018-19 Planning and Budget Framework.

Vice-President Finance and Operations Gayle Gorrill provided a presentation on the Planning and Budget Framework.

Ms. Renwick-Shields expressed concerns about student residence rates.

Ms. Erickson urged the Board to continue to look at other options for affordable housing for students.

MOTION (L. LeBlanc/D. Corbett):

THAT the Board of Governors – taking into account PART I of the 2016-17 to 2018-19 Planning and Budget Framework summarizing the results of the integrated planning process – approve PART II of the 2016-17 to 2018-19 Planning and Budget Framework, including the tuition and fee increases contained therein, and authorize the President to develop and implement the detailed operating budget for the 2016/17 fiscal year.

CARRIED

11. Executive and Governance Committee (E. Mohr)

a. Graduate Student Representation on the Board – Rules to Govern Elections to the Board of Governors BOG-Mar30/16-18

Associate University Secretary Carrie Andersen reviewed the process for student elections to the Board. She informed Board members that the current membership rules did not stipulate whether students elected were undergraduate or graduate students. Ms. Andersen said that, in response to concerns raised by graduate students and following a review of practices at other universities, the proposal before the Board was to allocate one seat for an undergraduate student and one for a graduate student.

Ms. Renwick-Shields and Ms. Erickson expressed some concerns about changing the composition of the Board as proposed and suggested that student representation on the Board be increased.

In response to their comments, Dr. Eastman reminded Board members that the composition of the Board was decided within the *University Act*. She said the proposed change to student representation on the Board was achievable within the legislation of the Act.

MOTION (N. Bassi/D. Corbett):

THAT the Board of Governors approve and recommend to Senate that it also approve the attached revisions to the Rules to Govern Elections to the Board of Governors and Senate.

CARRIED

1 abstained

12. President's Report

a. External Relations Update BOG-Mar30/16-01

The contents of this report were briefly noted.

b. Presentation on Student Satisfaction Survey Methodology Results, by Executive Director Academic Resource Planning Tony Eder

Tony Eder provided a presentation on Student Satisfaction Survey Methodology Results.

In response to questions, Mr. Eder described the types of students (e.g., first year, fourth year; residence, all on-campus) invited to respond to questions about food services and residences. He also provided more detail on sample sizes and response rates.

c. President's Report

President Cassels acknowledged receipt of a divestment petition received at the beginning of the meeting. He expressed his respect for the students' commitment to combatting climate change.

Prof. Cassels reminded those present that the University of Victoria Foundation Board, which oversaw the endowments, had declined to divest in consideration of its legal and fiduciary responsibilities and that the Board of Governors respected the Foundation's jurisdiction and noted the various steps taken by the Foundation Board to social responsible investment approaches.

Prof. Cassels reported that the Board had received a report from the Pacific Climate Impacts Consortium (PCIC) at its Closed meeting. He said the Board had learned from the report that more than 30% of the income from the Foundation supported research and solutions for climate change.

Prof. Cassels said the Board and Foundation would continue to monitor and engage with the issue.

There was a brief exchange about the interest of representatives of Divest UVic in meeting with the Foundation Chair.

President Cassels provided an update on the federal budget, including:

- Universities Canada's strategy
- Infrastructure funding
- · Changes in student aid including increased grants to students based on need
- K-12 Indigenous education
- Co-operative education in STEM fields.

President Cassels reported that the university's Canada First Research Excellence Fund application had been submitted the day before.

President Cassels provided an update on the provincial budget. He said the province had provided contributions for capital funding. He thanked the Board for approving the Planning and Budget Framework and acknowledged concerns about affordability. He said the issue was to strike a balance between high quality education and affordability, while targeting financial assistance to low-income students.

President Cassels reported on the success of IdeaFest. He thanks Dr. Castle, his team, and all the students, faculty and staff involved for their hard work.

President Cassels announced that Professor of Science Education and Curriculum Studies Dr. David Blades had won a 3M Fellowship. He also announced that Vice-President Finance and Operations Gayle Gorrill had been elected Fellow of the Chartered Professional Accountants for her exceptional service to the profession.

13. Adjournment

There being no other business, the meeting adjourned at 12:02 p.m.



MEMO

Date: May 13, 2016

To: The Operations and Facilities Committee

From: Julia Eastman, University Secretary

Re: 2016/17 Mandate Letter for Public Post-Secondary Institutions

Attached please find the Ministry of Advanced Education's final 2016/17 Mandate Letter for the University of Victoria. Its contents are similar to those of last year's letter and to the consultation draft provided to us earlier this year. As you may recall, members of this and other BC university boards are required to sign the attachment to the letter to acknowledge their statutory obligations to act in the best interests of the University of Victoria and to take into account the Taxpayer Accountability Principles and the priorities of government in the course of their duties. Given the timing of the May UVic Board meetings, the deadline for your signatures has been extended until June 10th. Following the May meetings, Samantha will be in touch with those of you who were not present in person, in connection with signature of the documents.

A summary of the changes to this year's specific strategic priority actions of Government is below:

2016/17	2015/16
Develop and implement an updated Skills Gap Plan, in alignment with priorities of the BC Skills for Jobs Blueprint	Implement B.C.'s Skills for Jobs Blueprint which sets out the fundamental changes and shifts B.C. must undertake to support students to move through each stage of their education, and transition into the workforce with the skills necessary to realize the career opportunities most in demand in our province
Work in partnership with the Government and Aboriginal communities, organizations and institutes to implement the Aboriginal Post-Secondary Education and Training	Assist in advancing key strategies of Government contained within the Aboriginal Post-Secondary Education and Training Policy Framework and

Policy Framework and Action Plan to increase the participation and success of Aboriginal learners	Action Plan, and the International Education Strategy
Meet or exceed the financial targets identified in the Ministry's three-year Service Plan as tabled under Budget 2016, including maintaining balanced or surplus financial results	Meet or exceed the financial targets identified in the Ministry's three-year Service Plan as tabled under Budget 2015, including maintaining balanced or surplus financial results unless Government approval is provided.
Continue to deepen BC's talent pool, in support of the #BCTECH strategy, ensuring opportunities for students in the technology sector;	
Continue to deliver on the goals of the International Education Strategy including pursuing opportunities to advance the two-way flow of students;	
Collaborate with the Ministry on the development of a common application system for all public post-secondary institutions in the province;	

The 2016/17 mandate also includes the addition of the following paragraph:

The Government has also provided the Institution with *Reporting Requirements* which sets out statistical, financial and performance reporting requirements and which can be found on the Ministry's website. The Institution agrees to meet these *Reporting Requirements*, and provide the Government with reports and high quality data required by Government to carry out its responsibilities.

We will be happy to answer any questions you may have about this year's letter at the Operations and Facilities Committee meeting.

Attachment



April 7, 2016 Our Ref: 101807

Dr. Erich Mohr Chair, Board of Governors University of Victoria PO Box 1700 Stn CSC Victoria BC V8W 2Y2

Dear Dr. Mohr:

On behalf of the province of British Columbia, I would like to thank you for your leadership and the contributions made by University of Victoria over the past year. We recognize the efforts made in supporting the strategic actions identified in the 2015/16 Mandate Letter, which continue to be priorities this year.

In 2014, Government established a common set of principles for British Columbia public sector organizations. The intent of the Taxpayer Accountability Principles is to strengthen accountability and promote cost control. These principles instill a common frame of reference to inform decisions and ensure that the actions taken and services provided meet public policy objectives established by Government on behalf of British Columbians. All public sector organizations are expected to understand the responsibility they have to British Columbians and how it is complementary to the fiduciary duty to their organizations.

This Mandate Letter provides the Government's strategic priorities and key performance expectations for the 2016/17 fiscal year for your institution.

Respect for the taxpayer through affordable public policies is a core Government value. It is critical that public post-secondary institutions operate as efficiently as possible, to ensure British Columbians are provided with the highest-quality programs and services. This requires constant focus on maintaining a cost-conscious and principled culture through the efficient and effective delivery of programs and services that stand the test of public scrutiny and help develop a prosperous economy in an environmentally sustainable manner. The foundation of this work is the commitment by Government to control spending and balance the budget.

Government is responsible for providing funding, setting the legislative, regulatory and public policy frameworks in which public post-secondary institutions operate along with establishing the Institution's mandate. This includes the following statutory provisions:

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Section 47 (2) of the *University Act*:

A university must, so far as and to the full extent that its resources from time to time permit, do all of the following:

- establish and maintain colleges, schools, institutes, faculties, departments, chairs and courses of instruction;
- provide instruction in all branches of knowledge;
- establish facilities for the pursuit of original research in all branches of knowledge;
- establish fellowships, scholarships, exhibitions, bursaries, prizes, rewards and pecuniary and other aids to facilitate or encourage proficiency in the subjects taught in the university and original research in all branches of knowledge;
- provide a program of continuing education in all academic and cultural fields throughout British Columbia; and
- generally promote and carry on the work of a university in all its branches, through the cooperative effort of the board, senate and other constituent parts of the university.

Within the terms of the legislation, University of Victoria will, in fulfilling its mandate, consider strategic priorities of Government when allocating institutional resources.

Specific strategic priority actions of Government for 2016/17 are:

- Develop and implement an updated Skills Gap Plan, in alignment with priorities of the BC Skills for Jobs Blueprint;
- Continue to deepen BC's talent pool, in support of the #BCTECH strategy, ensuring opportunities for students in the technology sector;
- Work in partnership with the Government and Aboriginal communities, organizations and institutes to implement the Aboriginal Post-Secondary Education and Training Policy Framework and Action Plan to increase the participation and success of Aboriginal learners:
- Continue to deliver on the goals of the International Education Strategy including pursuing opportunities to advance the two-way flow of students;
- Collaborate with the Ministry on the development of a common application system for all public post-secondary institutions in the province;
- Meet or exceed the financial targets identified in the Ministry's three-year Service Plan as tabled under Budget 2016, including maintaining balanced or surplus financial results; and
- Continue to maximize the efficient use of public post-secondary administrative resources through the Administrative Service Delivery Transformation initiative.

To achieve this, several actions as detailed in the 2014 Taxpayer Accountability Principles transition letter, are to continue to be implemented and refined, such as, on-going orientation, the joint strategic engagement plan, and the evaluation plan. For information on the Principles, please see http://gov.bc.ca/crownaccountabilities.

Government is committed to continuing to strengthen the relationship between Government and public post-secondary institutions. This strong focus on increased two-way communication supports and ensures a common understanding of Government's expectations and institutional priorities. As such it is important that each of us advise the other in a timely manner of any issues that may affect University of Victoria and/or the interests of Government. This is critical to building trust and the effective delivery of public services, including information on any risks to achieving financial forecasts and performance targets.

As public post-secondary institutions that receive funding from the Government, institutions are expected to conduct their affairs in a manner consistent with the legislative, regulatory and policy framework established by Government and share in upholding the Taxpayer Accountability Principles. This includes:

- 1. Adhering to the policy, guidelines and directions of the Public Sector Employers' Council regarding executive compensation and the management freeze that remains in place for the present time, recognizing the fiscal reality facing the provincial public sector.
- 2. Negotiating settlements with unionized employee groups consistent with the Economic Stability Mandate for all collective agreements that expire on or after December 31, 2013.
- 3. Ensuring that institutional operational and financial activities, including procurement and travel, are conducted consistent with Government standards for cost-consciousness and the most cost-effective use of taxpayer resources.
- 4. Conducting board matters in accordance with the best practice guideline.

The Core Policy and Procedures Manual of Government can be found for reference at http://www.fin.gov.bc.ca/ocg/fmb/manuals/CPM/CPMtoc.htm and other supporting documents found on the Public Sector Employers' Council Secretariat website at http://www.fin.gov.bc.ca/psec/.

The Government has also provided the Institution with *Reporting Requirements* which sets out statistical, financial and performance reporting requirements and which can be found on the Ministry's website. The Institution agrees to meet these *Reporting Requirements*, and provide the Government with reports and high quality data required by Government to carry out its responsibilities.

As our economy grows, there will be thousands of job openings in various occupations. More than 78 percent of these openings will require post-secondary education. These jobs range from professions to skilled trades to management. To ensure that British Columbians have the training and skills needed to take advantage of these opportunities, our Government launched the BC Skills for Jobs Blueprint in April 2014. Thousands of students who are taking courses this fall – from critical trades to health care to business administration – are doing so as a result of targeted funding for high-priority occupations.

Government is committed to providing support to help students succeed, while at the same time making sure that funding is focused on front-line education. British Columbia has taken great strides in making post-secondary education affordable and accessible for students of all backgrounds. Our Government works with employers, institutions and students to provide research, education and training to position our diverse workforce for continued success on a competitive global stage.

Together we need to continue to look for more opportunities to position our public post-secondary system for ongoing success.

Each board member acknowledges this Mandate Letter by signing the attachment to this letter. The Mandate Letter is to be posted publicly on your institution's website and a copy signed by all board members provided to the Ministry and made available upon request.

I look forward to our regular meetings focusing on strategic priorities, performance against the Taxpayer Accountability Principles, key results and working together to protect the public interest at all times.

Sincerely,

Andrew Wilkinson

Minister

Attachments: Taxpayer Accountability Principles

Signature Page Template

pc: Honourable Christy Clark

Premier

Ms. Kim Henderson

Deputy Minister to the Premier and Cabinet Secretary

Ms. Athana Mentzelopoulos Deputy Minister and Secretary to Treasury Board Ministry of Finance

Ms. Sandra Carroll
Deputy Minister
Ministry of Advanced Education

Ms. Cheryl Wenezenki-Yolland Associate Deputy Minister Ministry of Finance As members of the University of Victoria Board of Governors, we individually and collectively acknowledge our statutory obligations to act in the best interests of the University of Victoria and affirm as Governors to take into account the Taxpayer Accountability Principles in exercising our duty.

Kayleigh Erickson Elected Student Member	Bronte Renwick-Shields Elected Student Member	
Hélène Cazes Elected Faculty Member	Ana Maria Peredo Elected Faculty Member	Nav Bassi Elected Non-Faculty Member
Ida Chong Government Appointed Member	Daphne E. Corbett Government Appointed Member	Michael Kennedy Government Appointed Member
Lindsay LeBlanc Government Appointed Member	Isobel Mackenzie Government Appointed Member (Alumni)	Cathy L. McIntyre Government Appointed Member (Alumni)
Shelagh Rogers Chancellor	Jamie Cassels President and Vice-Chancellor	
Tracy J. Redies Vice-Chair Board of Governors Government Appointed Member	Erich Mohr Chair, Board of Governors Government Appointed Member	
Date Signed		

	BC Taxpayer Accountability Principles			
Fu	Further information available at: http://gov.bc.ca/crownaccountabilities			
1	Cost Consciousness (Efficiency)	Strengthen cost management capabilities and foster a culture of cost-consciousness at all levels of public sector organizations. Provide public services and programs as efficiently and effectively as possible to "bend the cost curve" and support sustainable public policies and programs as a lasting legacy for generations to come.		
2	Accountability	Transparently manage responsibilities according to a set of common public sector principles in the best interest of the citizens of the province. By enhancing organizational efficiency and effectiveness in the planning, reporting and decision making, public sector organizations will ensure actions are aligned with government's strategic mandate.		
3	Appropriate Compensation	Comply with a rigorous, standardized approach to performance management and employee compensation, which reflects appropriate compensation for work across the public sector that is consistent with government's taxpayer accountability principles and respectful of the taxpayer.		
4	Service	Maintain a clear focus on positive outcomes for citizens of British Columbia by delivering cost-efficient, effective, value-for-money public services and programs.		
5	Respect	Engage in equitable, compassionate, respectful and effective communications that ensure all parties are properly informed or consulted on actions, decisions and public communications in a timely manner. Proactively collaborate in a spirit of partnership that respects the use of taxpayers' monies.		
6	Integrity	Make decisions and take actions that are transparent, ethical and free from conflict of interest. Require the establishment of a strong ethical code of conduct for all employees and executives. Serve the citizens of British Columbia by respecting the shared public trust and acting in accordance with the taxpayer accountability principles.		



SUBMISSION TO THE UVIC BOARD OF GOVERNORS

FOR DECISION

To: AUDIT COMMITTEE

From: VICE-PRESIDENT FINANCE AND OPERATIONS

cc: President and Vice-Chancellor

Meeting Date: May 31, 2016

Subject: Revisions to Policy on Internal Audit (GV 0220)

Basis for Jurisdiction: University Act, Section 27(1)

Policy on Internal Audit – May 2009 Strategic Plan – Objective #25

Recommendation:

THAT the Audit Committee recommend to the Board of Governors that the Board of Governors approve the attached Revised Policy on Internal Audit (GV 0220).

Background:

The Policy on Internal Audit was last revised in 2009. The Policy has been revised and updated to reflect IA's current direction and practices.

Attachment(s):

Revisions to Policy on Internal Audit Plan (GV 0220) - including Track Changes.



POLICY ON INTERNAL AUDIT

University Policy No: GV0220 (1190)

Classification: Governance Approving Authority: Board Effective Date: May₇ 201609

Supersedes: November, 1977 May 2009

Latest Editorial Change:

Mandated Review: January 20214

PURPOSE

1.00 The purpose of this policy is to define the activity charter for internal audit.

DEFINITION

2.00 Internal control - the purpose of an internal controls framework is to support the university in the achievement of its objectives. An effective internal controls framework ; to helps ensure that: the university's activities are conducted in a prudent manner in accordance with policies and strategies established by the board of governors and the senate; that transactions are only entered into with appropriate authority; that assets are safeguarded and liabilities controlled; that administrative and operating records provide complete, accurate and timely information; and that management is able to identify, assess, manage and control the risks of the business.

POLICY

Mission and Scope of Work

- 3.00 The mission of the Linternal aAuditing department is to enhance and protect organizational value by providing risk-based and objective assurance, advice and insight. provide independent, objective assurance and consulting services designed to add value and improve the organization's operations.
 - 3.01 Focusing on risk management practices to ensure that organizational risks are appropriately identified and managed, the IA department plays a strategic role in helping UVic achieve its objectives.
 - 3.02 The department also play's a key role ins to facilitateing organizational communication and learning. It helps the organization accomplish its objectives by bringing an impartial, systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.
- 4.00 The Internal Audit department reports to the Audit Committee of the Board of Governors on matters that are under the jurisdiction of the Board of Governors.

Comment [BD1]: he change reflects IIA's most recent update to IA's Mission Statement

- 4.01 The scope of work of the internal and department includes is to determine whether the organization's university's network of risk management, control, and governance processes, as designed and represented by management, is adequate and functioning in a manner to ensure:
 - a. Risks are appropriately identified and managed.
 - b. Interaction with the various governance groups occurs as needed.
 - c. Financial, managerial, and operating data is accurate, reliable, and timely.
 - d. Employees' actions are in compliance with policies, contracts, standards, procedures, and applicable laws and regulations.
 - e. Resources are acquired economically, used efficiently, and adequately protected.
 - f. Programs, plans, and objectives are achieved.
 - g. Quality and continuous improvement are fostered in the <u>universityorganization</u>'s control process.
 - h. Legislative or regulatory issues and changes impacting the <u>university</u>organization are recognized and addressed properly.
- 4.012 Internal Audit is concerned with any phase of university activity where it can add valueserve. This involves going beyond the accounting and financial records to obtain a full understanding of the operations under review. Opportunities for improving or maintaining management, operational and business process controls, as well as operating margins, and the university's organization's imagereputation may be identified during audits. All significant observations They will be communicated to the appropriate levels of management, and where appropriate to the Audit Committee of the Board of Governors.

Accountability

- 5.00 The <u>Director, Internal Audit, in her/his role as UVic's</u> chief audit executive (CAE), in the discharge of his/her duties, shall be accountable to management and the <u>Aa</u>udit eCommittee to:
 - a. Provide <u>periodicallyannually</u> an assessment on the adequacy and effectiveness of the <u>universityorganization</u>'s processes <u>and controls</u> for <u>those functions examined as part of and as outlined within the annual approved audit plan. controlling its activities and managing its risks in the areas set forth under the mission and scope of work (sections 2 and 3) and the annual plan.</u>
 - b. Report significant issues related to the processes for controlling the activities of the organization-university and its affiliates, including potential improvements to those processes, and provide on an ongoing basis information concerning such issues through to their ultimate resolution.
 - c. Provide <u>periodically</u> information <u>periodically</u> on the status and results of the annual audit plan <u>(including any changes thereto)</u>, the sufficiency of department resources and the ongoing professional development of department staff.

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d. Coordinate with and provide assessments/support (including advisory guidance and assistance) to management of other control and monitoring functions and activities (including risk management, and investigations relating to allegations of financial misconduct or misappropriations involving the university's assets. compliance in various departments, security, legal, ethics, environmental and external audit). It is management's responsibility to inform the Director, Internal Audit of all suspected or known fraudulent activity immediately upon becoming aware of such activities.

<u>Independence</u>

6.00 To provide for the independence of the <code>iInternal aAuditing</code> department, its personnel report to the CAE, who reports <code>functionally</code> to the <code>aAudit eCommittee_of, and to</code> the Board of Governors in the discharge of the duties listed in Section 4. The CAE also reports administratively to the Vice-President Finance and Operations. This <code>dual-reporting</code> structure enables the department to maintain its independence and objectivity.

Responsibility

- 7.00 The CAE and staff of the Linternal a Auditing department have responsibility to:
 - a. Develop a flexible annual audit plan as part of a rolling multi-year audit plan using appropriate risk-based methodology, including any risks or control concerns identified by management, and submit the entire-plan to the audit committee Audit Committee for review and approval.
 - b. Implement the annual audit plan, as approved, including, and as appropriate, any special <u>engagementstasks</u> or projects requested by management and the audit committeeAudit Committee.
 - c. Maintain a professional audit staff with sufficient knowledge, skills, experience, and professional certifications to meet the requirements of this Charter.
 - d. Establish a quality assurance program to guide by which the CAE assures the operation of internal auditing activities.
 - e. Resources permitting, pPerform advisory or consulting services that may be requested by members of the Audit Committee or UVic's Executive Council. Any related changes to the approved audit plan will be made only after consultation with the Chair of the Audit Committee., arising from internal audit's assurance services, to assist management in meeting its objectives. Examples may include facilitation, process design, training, analysis and advice.
 - f. Evaluate and assess significant merging/consolidating functions and new or changing services, systems, processes, operations, and associated controls processes coincident with their development, implementation, and/or expansion.
 - g. Issue periodic reports to the <u>audit committeeAudit Committee</u> and management summarizing results of audit activities.
 - h. Request a Vice President (or his/her designate) as well as any other senior officer of the university to be in attendance at an Audit Committee meeting to respond to the

- results of any completed audit engagements, or to provide the Audit Committee with a status update on the implementation of audit recommendations from previously issued audit reports.
- h.i. Keep the audit committee Informed of emerging trends and successful practices in internal auditing.
- <u>Periodically report to the Audit Committee as well as management on key performance</u> <u>measures as agreed to with the Audit Committee revide a list of significant measurement goals and results to the audit committee.</u>
- j.—Assist in the investigation of significant suspected fraudulent activities within the organization and notify management and the audit committee of the results.
- k. To avoid duplication and provide optimal audit coverage, periodically liaise with Consider the scope of work of the external auditors and regulators, as appropriate..., for the purpose of providing optimal audit coverage to the organization at a reasonable overall cost.

<u>Authority</u>

- 8.00 The CAE and staff of the internal and adducting department are authorized to:
 - a. Have unrestricted access to all functions, records, property, and personnel.
 - b. Have full and free access to the audit committee Audit Committee.
 - c. Allocate resources, set frequencies, select subjects, determine scopes of work, and apply the techniques required to accomplish audit objectives.
 - d. Obtain the necessary assistance of personnel in units of the organization university where audits are being performed, as well as other specialized services from within or outside the organization university as necessary.
- 9.00 The CAE and staff of the <u>linternal aAuditing</u> department are not authorized to:
 - a. Perform any operational duties for the <u>organization_university</u> or its affiliates. <u>IThe</u> <u>internal aAudit's</u> review and appraisal does not in any way relieve other persons in the <u>organization_university</u> of the responsibilities assigned to them.
 - b. Initiate or approve accounting transactions external to the $\frac{i}{L}$ Internal $\frac{a}{L}$ uditing department.
 - c. Direct the activities of any organization university employee not employed by the <u>linternal aAuditing</u> department, except to the extent such employees have been appropriately assigned to auditing teams or to otherwise assist the internal auditors.
 - d. Exceptions to this section for work outside the limits of this policy must be approved by the Chair of the Audit Committee with the concurrence of the Vice-President Finance and Operations.

Standards of Audit Practice

10.00 <u>Commensurate with the department's size,</u> <u>Tthe iInternal aAuditing</u> department will <u>to the extent practical and desirable,</u> follow the International Standards for the Professional

Practice of Internal Auditing <u>issued byof</u> The Institute of Internal Auditors.

AUTHORITIES AND OFFICERS

11.00 The authorities and officers for this policy are:

i) Approving Authority: Board of Governors

ii) Designated Executive Officer: Vice-President Finance and

OperatOperations

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RELEVANT LEGISLATION

University Act

University Act amendments

Limitation Act

Freedom of Information and Protection of Privacy Act

Electronic Transactions Act

Financial Administration Act

Financial Information Act

Federal Occupational Health and Safety Links

Provincial Occupational Health and Safety Links

RELATED POLICIES AND DOCUMENTS

University of Victoria Strategic Plan

Fraud Response Action Plan

Internal Audit Department Strategic Plan

University Calendar

Ministry of Advanced Education and Labour Market Development Accountability Framework

Provincial Ministry of Institutional Accountability Plan

University of Victoria Accountability

All University Policies

Risk Management Policy GV0225 (1140)

Signing Authority Policy FM5100 (1002)

Protection of Privacy Policy GV0235

ALL OPERATING POLICIES, PROCEDURES AND CONTRACTS AT THE UNIVERSITY OR UNITS THEREIN



SUBMISSION TO THE UVIC BOARD OF GOVERNORS

FOR DECISION

May 30, 2016

Valence Strekne

To: Operations and Facilities Committee

From: Valerie S. Kuehne, Vice-President Academic and

Provost

cc: President and Vice-Chancellor

Meeting Date: May 30, 2016

Subject: New and Revised Awards

Basis for Jurisdiction: - University Act, 27(2)(k)

- Senate meeting of April 1, 2016 and May 6, 2016

Strategic Relevance: These new and revised awards support our objective of increasing financial support to current and future students. The awards support our student recruitment and retention strategies, provide competitive undergraduate and graduate scholarships and bursaries that enable us to be nationally and internationally competitive in the recruitment and retention of outstanding students (see objectives 2, 4,16 b) and 18 b) of the Strategic Plan).

Previous Consultation: At its meeting on April 1 and May 6, 2016, Senate approved and recommends that the Board of Governors approve the attached new and revised undergraduate and graduate awards.

Recommendation:

THAT the Operations and Facilities Committee recommend to the Board of Governors that the Board of Governors approve the new and revised graduate and undergraduate awards set out in the attached documents and listed below:

- Linda Vey Scholarship (revised)*
- Rose Won Lau Business Scholarship (revised)*
- Big Picture Conference Inc. Scholarship in Service Management (new)
- Kutzschan Graduate Scholarship in Philosophy (new)*
- L.E. Frances Druce Scholarship in Music (new)*
- Langford-Seaborn Scholarship (revised)*
- L.E. Frances Druce Collaborative Piano Prize (new)*
- L.E. Frances Druce Student Travel Award (new)*
- Spiritbear Foundation Scholarship in the School of Child and Youth Care (new)
- Alumni Association Vikes Award (new)*
- M.A. & D.E. Breckenridge Education Graduate Award (revised)*
- Brian Jackson and Denys Mailhiot Scholarship (new)*
- L.E. Frances Druce Bursary in Law (new)*
- L.E. Frances Druce Bursary in Science (new)*
- Cuchulain Vikes Rugby Award (revised)*
- Leonard and Eileen Hamilton Scholarship in Spanish & Italian Studies (new)
- Alumni Association Bursary for Active, Healthy Living (new)*
- Beulah Daniels Memorial Scholarship in Music (revised)*
- Claire Watson Fellowship (new)
- Commander Peter Chance Masc Graduate Fellowship (revised)*
- Dr. James B. Haddow Scholarship (new)
- Dr. Jean Downie Dey Memorial Award (new)*
- Dr. Jean Downie Dey Centennial Scholarship (new)*
- Dr. Jean Downie Dey Student Mobility Award (new)*
- Elias Mandel Prize for Study Abroad in Humanities (revised)*
- Fasken Martineau Dumoulin LLP Entrance Scholarship (new)
- Fasken Martineau Dumoulin LLP First Year Law Scholarship (new)*
- Fasken Martineau Dumoulin LLP Indigenous Entrance Scholarship (new)
- Germanic Studies Graduate Scholarship (revised)*
- Ian Cameron Scholarship in Educational Measurement & Evaluation (new)*
- Kutzschan Graduate Scholarship in Forest Biology (new)*
- Kutzschan Graduate Scholarship in Music (new)*
- Lorna Crozier Scholarship (new)*
- Marilyn McCall Bursary in Psychology (new)*
- Mary Marjorie Horan Scholarship (new)*
- Nicholas Thomas Mathers Memorial Bursary (new)*
- Phoenix Bursary (new)
- Richard and Margaret Beck Student Research Travel Award (revised)*
- Roger Odlum Bursary in Business and Dispute Resolution (new)
- School of Music Women's Choral Scholarship (revised)
- Sinclair Farris Award (revised)*
- Sophia M. Terhart Vittali Scholarship (new)
- Theatre Retirees Scholarship (new)
- Victoria Chinatown Lioness Club Graduate Bursary (revised)*
- VNHS Dennis and Lyndis Davis Scholarship (new)*

^{*} Administered by the University of Victoria Foundation

MEMORANDUM

University of Victoria

Student Awards and Financial Aid Email: lnolt@uvic.ca Tel: (250) 721-8425 Fax: (250) 721-8757

DATE: March 11, 2016

TO: Secretary of Senate

University Secretary's Office

FR: Lori Nolt, Director, Student Awards and Financial Aid

Secretary, Senate Committee on Awards

RE: Awards Recommended to Senate for Approval

Lori Nolt

2015/2016 Senate Committee on Awards

J. Walsh (Chair), S. Banerjee, K. Barnes, D. Begoray A. Cirillo, M. Runtz, H. Hallgrimsdottir, D. Mellin, J. Wood A. McLaughlin, N. Greengoe, L. Nolt, Y. Rondeau, F. Canjura

The Senate Committee on Awards recommends that the Senate approves and recommends to the Board of Governors the following awards:

*Administered by the University of Victoria Foundation Additions are <u>underlined</u> Deletions are struck through

LINDA VEY PRIZE SCHOLARSHIP* (REVISED-UG)

A prize is made to an education student proceeding to the Learning Support Strand.

A scholarship is awarded to an academically outstanding undergraduate student in the Faculty of Education who has demonstrated a commitment to working with children with special needs requiring learning support. In the form of a letter, applicants must submit evidence of their commitment, such as courses taken, paid employment or volunteer experience. Applications must be submitted by May 31st to the Associate Dean Undergraduate Programs, Faculty of Education.

ROSE WON LAU BUSINESS SCHOLARSHIP* (REVISED-UG)

A scholarship is awarded to a Bachelor of Commerce student planning to participate participating in an academic exchange program and/or co-op work placement in China for the upcoming summer or winter session. Selection of the student is based on the submission of a resumé and an essay demonstrating the student's involvement in sports, extra-curricular activities or community contributions and stating how the

scholarship will be of assistance in completing the co-op term or exchange, and on academic merit. Preference will be given to a female woman student of Chinese ancestry.

A cover letter can be used as the application form and must be returned with a resumé and an essay to the Gustavson School of Business, Business Student Services Office (BEC 283) by March 15 April 30th.

BIG PICTURE CONFERENCE INC. SCHOLARSHIP IN SERVICE MANAGEMENT (NEW-UG)

Two scholarships of \$2,500 each are awarded to undergraduate students who have completed a two year Hospitality Management and/or Hotel Restaurant Administration diploma program, and have been directly admitted into the third year of the BCom program. Recipients must be Canadian Citizens. Nominations will be made by the Peter B. Gustavson School of Business.

KUTZSCHAN GRADUATE SCHOLARSHIP IN PHILOSOPHY* (NEW-GS)

One or more scholarships are awarded to academically outstanding graduate students in the Department of Philosophy. Selection of recipients will be made by the Graduate Awards Committee, upon the recommendation of the Department of Philosophy.

L.E. FRANCES DRUCE SCHOLARSHIP IN MUSIC* (NEW-UG/GS)

One or more scholarships are awarded to academically outstanding full-time undergraduate or graduate students entering the School of Music. Preference will be given to women students. Selection of the recipients will be made by Student Awards and Financial Aid or the Graduate Awards Committee upon the recommendation of the School of Music.

LANGFORD-SEABORN SCHOLARSHIP* (REVISED-GS)

A scholarship of \$750 is awarded to a graduate student in the School of Public Administration who is a member of the Snuneymuxw First Nation. If no Snuneymuxw student in the School of Public of Administration, the award may be given to any graduate student who is a member of the Snuneymuxw First Nation in any program. If no Snuneymuxw students, the award may be to a graduate student who is a member of any other Vancouver Island First Nation community or Vancouver Island Metis community in any program. If there are no graduate students eligible, it may go to an undergraduate student in the same order. Graduate students must submit an application form to the Faculty of Graduate Studies dean's office by May 31st. Undergraduate students can apply by completing the online application starting in April each year.

A scholarship of \$750 is awarded to an Indigenous graduate student in the School of Public Administration. If there is no eligible student, an Indigenous graduate student in another department of the Faculty of Human & Social Development may receive the scholarship. Selection will be made by the Graduate Awards Committee, upon the recommendation of the School of Public Administration or the Faculty of Human & Social Development.

L.E. FRANCES DRUCE COLLABORATIVE PIANO PRIZE* (NEW-GS/UG)

One or more prizes are awarded to academically outstanding full-time undergraduate or graduate students in the School of Music. The prize is intended to enhance student learning by providing the financial support to work with a professional collaborative pianist. Preference will be given to women students. The selection of the recipients will be made by Student Awards and Financial Aid or the Graduate Awards Committee upon the recommendation of the School of Music.

L.E. FRANCES DRUCE STUDENT TRAVEL AWARD* (NEW-UG/GS)

One or more awards are made to academically outstanding full-time undergraduate or graduate students in the School of Music for the enhancement of the student learning experience through travel, in support of research/creative activity and may include field schools, exhibitions, performances or presentations. Preference will be given to women students. Selection of the recipients will be made by Student Awards and Financial Aid or the Graduate Awards Committee upon the recommendation of the School of Music.

SPIRITBEAR FOUNDATION SCHOLARSHIP IN THE SCHOOL OF CHILD AND YOUTH CARE (NEW-GS)

One scholarship of \$10,000 and five scholarships of \$5,000 each are awarded to academically outstanding graduate students in the School of Child and Youth Care who are conducting research that benefits children, youth and families. Students working in early years settings, youth services, mental health and/or family support programs are eligible. Selection of the recipients will be made by the Graduate Awards Committee upon the recommendation of the School of Child and Youth Care.

ALUMNI ASSOCIATION VIKES AWARD* (NEW-UG)

One or more awards are given to students who compete on any Vikes Varsity team at the University of Victoria. Eligible students must normally meet Canadian Interuniversity Sport (CIS) eligibility requirements. Award recipients will be selected on the basis of work ethic, commitment and performance criteria by the Director of Athletics and Recreation in consultation with the Varsity Head Coach and the Manager of Athletics.

M.A. & D.E. BRECKENRIDGE EDUCATION GRADUATE AWARD* (REVISED-GS)

A scholarship of at least \$2,000 is awarded to an outstanding <u>full or part-time continuing</u> graduate <u>summer</u> student in the Faculty of Education <u>who completed a course in the summer immediately preceding the fall nomination deadline</u>. Selection of the recipient will be chosen by the Graduate <u>Admissions and</u> Awards Committee upon the recommendation of the Faculty of Education.

Student Awards and Financial Aid Email: lnolt@uvic.ca Tel: (250) 721-8425 Fax: (250) 721-8757

DATE: April 20, 2016

TO: Secretary of Senate

University Secretary's Office

FR: Lori Nolt, Director, Student Awards and Financial Aid

Secretary, Senate Committee on Awards

RE: Awards Recommended to Senate for Approval

Lori Nolt

2015/2016 Senate Committee on Awards

J. Walsh (Chair), S. Banerjee, K. Barnes, D. Begoray A. Cirillo, M. Runtz, H. Hallgrimsdottir, D. Mellin, J. Wood A. McLaughlin, N. Greengoe, L. Nolt, Y. Rondeau, F. Canjura

The Senate Committee on Awards recommends that the Senate approves and recommends to the Board of Governors the following awards:

*Administered by the University of Victoria Foundation Additions are <u>underlined</u> Deletions are struck through

BRIAN JACKSON AND DENYS MAILHIOT SCHOLARSHIP* (NEW-UG)

One or more scholarships are awarded to academically outstanding undergraduate men studying voice in the School of Music. Nomination will be made by the School of Music.

L.E. FRANCES DRUCE BURSARY IN LAW* (NEW-UG/GS)

One or more bursaries are awarded to women undergraduate or graduate students in the Faculty of Law.

L.E. FRANCES DRUCE BURSARY IN SCIENCE* (NEW-UG/GS)

One or more bursaries are awarded to women undergraduate or graduate students in the Faculty of Science.

CUCHULAIN VIKES RUGBY AWARD* (REVISED-UG)

One or more awards are given to undergraduate students who compete on the Vikes Men's or Women's Varsity Rugby teams at UVic. Eligible students must meet all CIS (Canadian Interuniversity Sport) eligibility requirements. Award recipients will be selected on the basis of work ethic, commitment and performance criteria by the Director of Athletics and Recreation in consultation with the Manager of Athletics.

LEONARD AND EILEEN HAMILTON SCHOLARSHIP IN SPANISH & ITALIAN STUDIES (NEW-UG)

A scholarship of \$1,000 is awarded to an Hispanic and Italian Studies undergraduate student who, consistent with the ideal of the "*Uomo Universale* or *Donna Universale* (i.e. a well-rounded individual)," is pursuing a broad range of activities in addition to their studies. Activities can include, but are not limited to: participation in the arts or sport, part-time employment, and/or volunteering with social justice causes, campus or community organizations. The recipient must be a Canadian citizen.

Students must submit a 500-1000 word statement to the Department of Hispanic and Italian Studies describing their suitability for this scholarship. Selection of a recipient will be based on a combination of extracurricular activities/community involvement and grades, as opposed to grades solely. Students with a 5.0 average (or higher) are encouraged to apply.

Preference will be given to student who, in descending order of priority, has:

- (a) a declared major in Spanish or Italian Studies
- (b) a declared minor in Spanish or Italian Studies.

Applications must be submitted to the Department of Hispanic and Italian Studies by April 30th.

ALUMNI ASSOCIATION BURSARY FOR ACTIVE, HEALTHY LIVING* (NEW-UG)

Bursaries of at least \$200 will be awarded to undergraduate students to offset the cost of a CARSA membership. The UVic Alumni Association wishes to support active, healthy living with this gift.

BEULAH DANIELS MEMORIAL SCHOLARSHIP IN MUSIC* (REVISED-UG)

A scholarship of \$1,000 is awarded to a student entering or continuing in the School of Music. A continuing student must have completed a minimum of 12 units in the preceding winter session.

A scholarship is awarded to an academically outstanding entering or continuing undergraduate student in the School of Music.

CLAIRE WATSON FELLOWSHIP (NEW-GS)

Up to four fellowships in the range of \$10,000-\$15,000 are awarded to academically outstanding graduate students entering the School of Music. Preference will be given to students entering the Master in Music Performance – Emphasis in String Quartet program. The fellowship may be renewed for a second year if an outstanding GPA is maintained. Selection of the recipients will be made by the Graduate Awards Committee upon recommendation of the School of Music.

COMMANDER PETER CHANCE MASC GRADUATE FELLOWSHIP* (REVISED-GS)

An annual fellowship in the amount of up to \$10,000 will be awarded to a student pursuing graduate studies at the master's or PhD level in an area pertinent to Canada's maritime interests. Priority will be given to studies on ocean-related topics within such fields as history, economics, sociology, policy, engineering and science. The fellowship is tenable for a maximum of two years, but may not necessarily be offered in any given year. Nominations will be requested from the relevant departments. Selection will be made by the Graduate Awards Committee in consultation with the Pacific Maritime Strategic Studies Group.

DR. JAMES B. HADDOW SCHOLARSHIP (NEW-GS)

A scholarship of \$10,000 is awarded to one woman student per year in a Masters of Applied Science program or the PhD program in the Faculty of Engineering who:

- Is a woman graduate of the engineering undergraduate program at UVic or an accredited Canadian undergraduate engineering degree program.
- Is pursuing full time studies in mechanical engineering, biomedical engineering, electrical engineering (with a preference to a focus on materials engineering) or engineering physics, should UVic develop a program for the later in the future.
- Achieved a GPA of 7 or higher in the final two years of undergraduate study.
- Is a Canadian citizen.
- Has been recommended by two engineering faculty members, preferably from the UVic engineering department, who can assess and comment on the candidate's
 - o Academic rigor
 - o Contribution to the engineering department or faculty
 - o Demonstrated leadership
 - o Integrity
 - o Ability to work under high pressure
 - o Ability to contribute to the Canadian engineering profession.

Preference will be given to a woman student who, in descending order of priority:

- Has graduated from UVic with a Bachelor of Engineering with a minimum cumulative GPA of 7 over the final two years of full-time study.
- Has graduated from an undergraduate engineering program offered by an accredited Canadian university possessing a cumulative GPA of 7 over the final two years of full time study.
- Has less financial support than other candidates.

Each \$10,000 scholarship will be paid over two years providing:

- The student remains in good academic standing.
- The student has not violated or is under investigation for alleged violations of UVic policies covering academic integrity.

An individual may only receive the scholarship once.

The Dean of Engineering will nominate candidates to the Graduate Awards Committee, based on the recommendations of the Haddow Scholarship Committee, which will include the graduate advisors from the Departments of Mechanical and Electrical Engineering and an additional member as selected by the dean. Applications must be submitted to the Dean of Engineering's office no later than August 31st.

DR. JEAN DOWNIE DEY MEMORIAL AWARD* (NEW-GS)

One or more awards are given to graduate students in the Faculty of Education to travel within Canada or internationally to attend or present at a conference, workshop or other related travel to support their studies. Preference will be given to a student pursuing language and literacy or early childhood education. Applications must be submitted by September 15th to the Office of the Associate Dean of the Faculty of Education. Selection of the recipients will be made by the Graduate Awards Committee upon the recommendation of the Faculty of Education.

DR. JEAN DOWNIE DEY CENTENNIAL SCHOLARSHIP* (NEW-UG)

One or more scholarships are awarded to academically outstanding undergraduate students entering from secondary school, college or university to the Faculty of Education. Preference will be given to a student with demonstrated financial need.

DR. JEAN DOWNIE DEY STUDENT MOBILITY AWARD* (NEW-UG)

One or more awards are given to undergraduate students in the Faculty of Education to travel within Canada or internationally to attend or present at a conference, workshop or travel to support their studies. Applications must be submitted by May 31st to the Associate Dean Undergraduate Programs, Faculty of Education.

ELIAS MANDEL PRIZE FOR STUDY ABROAD IN HUMANITIES* (REVISED-UG)

One or more prizes are awarded to undergraduate students in the Faculty of Humanities who are studying abroad through courses, field schools or programs offered or recognized by the Faculty of Humanities. The Faculty of Humanities will nominate the recipients of these prizes. Students must submit a budget and budget justification for amount requested (maximum \$6,000), an unofficial transcript, a statement of no more than 500 words describing the purpose of the study abroad program and its relevance to the student's program of study, and two letters of support from appropriate instructors familiar with the student's academic work. The deadline for applications is March 31st. (If the deadline falls on a weekend, the application is due the following Monday.) All application materials should be addressed to the Faculty of Humanities, Associate Dean Academic.

FASKEN MARTINEAU DUMOULIN LLP ENTRANCE SCHOLARSHIP (NEW-UG)

Two scholarships of \$2,000 each are awarded to academically outstanding students entering the JD program who have demonstrated entrepreneurial initiative in the community and/or an interest in business through academic pursuits.

FASKEN MARTINEAU DUMOULIN LLP FIRST YEAR LAW SCHOLARSHIP* (NEW-UG)

A scholarship is awarded to an academically outstanding student who has completed the first year of the JD program in the Faculty of Law.

FASKEN MARTINEAU DUMOULIN LLP INDIGENOUS ENTRANCE SCHOLARSHIP (NEW-UG)

A scholarship of \$1,500 is awarded to a student entering the JD program who self-identifies as Indigenous and has demonstrated community involvement. Preference will be given to a student with high academic achievement.

GERMANIC STUDIES GRADUATE SCHOLARSHIP* (REVISED-GS)

One or two scholarships of up to \$2,500 each will be offered to students registered in a graduate program in Germanic Studies. Selection of the recipient(s) will be made by the Graduate Awards Committee upon the recommendation of the Department of Germanic and Slavic Studies.

IAN CAMERON SCHOLARSHIP IN EDUCATIONAL MEASUREMENT & EVALUATION* (NEW-GS)

A scholarship is awarded to a graduate student with outstanding academic achievement in the area of educational measurement and evaluation. The recipient will be enrolled in a graduate program in Educational Psychology and conducting thesis or dissertation research in the field of educational measurement, assessment and evaluation. The scholarship will be granted to a student whose thesis or dissertation investigates more efficient ways of measuring student achievement and who has the highest grade point average. If two applicants are tied, the student with the highest grades in measurement-related courses will be selected. Selection of the recipient will be made by the Graduate Awards Committee upon recommendation of the Chair of the Department of Educational Psychology and Leadership Studies.

KUTZSCHAN GRADUATE SCHOLARSHIP IN FOREST BIOLOGY* (NEW-GS)

One or more scholarships are awarded to academically outstanding graduate students who study forest biology. Selection of recipients will be made by the Graduate Awards Committee, upon the recommendation of the Centre for Forest Biology.

KUTZSCHAN GRADUATE SCHOLARSHIP IN MUSIC* (NEW-GS)

One or more scholarships are awarded to academically outstanding graduate students in the School of Music. Selection of recipients will be made by the Graduate Awards Committee, upon the recommendation of the School of Music.

LORNA CROZIER SCHOLARSHIP* (NEW-UG)

One or more scholarships are awarded to academically outstanding undergraduate students in the Department of Writing entering the fourth year Poetry Workshop who have submitted a portfolio of ten pages of poetry that have been deemed to be of high quality. Poetry submissions are to be made prior to September 15th to the Department of Writing.

MARILYN MCCALL BURSARY IN PSYCHOLOGY* (NEW-UG)

One or more bursaries are awarded to undergraduate students in the Department of Psychology.

MARY MARJORIE HORAN SCHOLARSHIP* (NEW-UG/GS)

One or more scholarships are awarded to academically outstanding entering or continuing students in an undergraduate or graduate program in the School of Music. Selection of the recipients will be made by Student Awards and Financial Aid or the Graduate Awards Committee upon the recommendation of the School of Music.

NICHOLAS THOMAS MATHERS MEMORIAL BURSARY* (NEW-UG)

One or more bursaries are awarded to students entering the Faculty of Law JD program. Preference will be given to a student who demonstrates an interest in pursuing a career as a Crown Prosecutor.

PHOENIX BURSARY (NEW-UG/GS)

A bursary of \$6,000 is awarded to a lone parent who is enrolled in an undergraduate or graduate program in any faculty. Preference will be given to students who are returning to school. Recipients may receive the bursary only once.

<u>RICHARD AND</u> MARGARET BECK STUDENT RESEARCH TRAVEL AWARD* (REVISED-UG/GS)

One award of up to \$6,000 is given to an undergraduate or graduate student in the Humanities or Social Sciences or Fine Arts who has already completed a course or undertaken is undertaking a significant research project that is related to Icelandic language, and literature, history, culture or society to travel to Iceland for the purpose of research or course work. Applications must be submitted to the Associate-Dean of Humanities by December 15th. In the case of an undergraduate award, selection will be made by the Senate Committee on Awards upon the recommendation of the Associate Dean Academic of Humanities. In the case of a graduate award, selection will be made by the Graduate Awards Committee upon the recommendation of the Associate Dean Research of Humanities.

ROGER ODLUM BURSARY IN BUSINESS AND DISPUTE RESOLUTION (NEW-UG/GS)

Bursaries are awarded to students in the Peter B. Gustavson School of Business or the Masters in Dispute Resolution program in the School of Public Administration who have, by their actions, demonstrated a practical commitment to creating a more ethical society, increasing civic responsibility, and developing a more civil, harmonious society.

PHILOMELA CHOIR SCHOOL OF MUSIC WOMEN'S CHORAL SCHOLARSHIP (REVISED-UG/GS)

A scholarship of \$1,000 is awarded to an academically outstanding undergraduate or graduate <u>woman</u> student enrolled in the <u>Philomela University</u> Women's Choir, the <u>UVic Chamber Singers or the UVic Chorus</u> who is pursuing a <u>degree in Music or Music Education</u>. <u>major in music. Preference will be given to music education students</u>. <u>Selection of the recipients will be made by Student Awards and Financial Aid or the Graduate Awards Committee upon the recommendation of the School of Music.</u>

SINCLAIR FARRIS AWARD* (REVISED-UG/GS)

An One or more award(s) of at least \$400 is are made to an undergraduate or graduate students in the Department of Biology for interest and achievement of excellence in the field of microtechnique. The award was established to recognize Sinclair Farris who worked with the Canadian Forestry Service (Environment Canada) for 38 years, specializing in microtechnique. Selection is made upon the recommendation of the Department of Biology by the Senate Committee on Awards Selection is made by the Senate Committee on Awards upon the recommendation of the Department of Biology in the case of an undergraduate student and by the Graduate Awards Committee of the Faculty of Graduate Studies in the case of a graduate student.

SOPHIA M. TERHART VITTALI SCHOLARSHIP* (NEW-UG)

One or more scholarships are awarded to academically outstanding entering or continuing undergraduate students in the School of Music.

THEATRE RETIREES SCHOLARSHIP (NEW-UG)

One or more scholarships are awarded to academically outstanding undergraduate students in the Department of Theatre in any specialization. Nominations will be made by the Department of Theatre. The scholarship will be awarded to a student from the same specialization as a retiring faculty or staff member to honour their contribution to the department

VICTORIA CHINATOWN LIONESS CLUB GRADUATE BURSARY* (REVISED-GS)

A bursary of \$500 is awarded to a full-time female woman student in a Master's or Ph.D. program whose research is in Asian Studies or gender studies related to Asians.

VNHS DENNIS AND LYNDIS DAVIS SCHOLARSHIP* (NEW-UG)

One or more scholarships of at least \$2,000 are awarded to academically outstanding undergraduate students in the Department of Biology, the School of Earth and Ocean Sciences, or the School of Environmental Studies. Preference will be given to students pursuing studies in species, habitat or ecosystem conservation, ecology or biodiversity. Nominations will be made by Faculty of Science.



SUBMISSION TO THE UVIC BOARD OF GOVERNORS

FOR DECISION

May 30, 2016

Whenie Strekne

To: Operations and Facilities Committee

From: Valerie S. Kuehne, Vice-President Academic and Provost

cc: President and Vice-Chancellor

Meeting Date: May 30, 2016

Subject: Minor in Digital and Interactive Media in the Arts (DIMA)

Basis for Jurisdiction: Senate Committee on Planning Meeting on April 8, 2016

Senate Meeting on May 6, 2016

Strategic Relevance: The University's success is dependent on the ability to provide rich, relevant and diverse quality programs that demonstrate societal need and value, meet student demand and build on faculty expertise. The Minor in Digital and Interactive Media in the Arts will help UVic to be nationally and internationally competitive in the recruitment and retention of high calibre students (Objective 4) and to be competitive in the quality of our program offerings (Objective 14).

Previous Consultation: At its meeting on May 6, 2016, Senate approved and recommended that the Board of Governors approve the Proposal for Minor in Digital and Interactive Media in the Arts (DIMA). The proposal was approved by the Senate Committee on Planning at its meeting on April 8, 2016.

Recommendation:

That the Operations and Facilities Committee recommend to the Board of Governors that the Board of Governors approve, subject to funding, the establishment of a Minor in Digital and Interactive Media in the Arts (DIMA), as described in the document "Proposal for Minor in Digital and Interactive Media in the Arts (DIMA)", dated February 10, 2016, and that this approval be withdrawn if the program should not be offered within five years of the granting of approval.

Background:

Resource Plan for University of Victoria Board of Governors

1. Overview/Nature of the Academic Program

The Minor in Digital and Interactive Media in the Arts is an innovative program that builds on strengths in research/creative activity and dynamic learning in the Faculty of Fine Arts. The minor is comprised of 12.0 units consisting of foundational courses, a selection of electives that address digital media production and cultural impacts, and a capstone course on digital and interactive media in the arts. The combination ensures a balance of practice and theory, while optimizing student choice and selection across the arts. Knowledge creation, collaboration and sharing are central to interactive media.

The Minor in Digital and Interactive Media in the Arts mentors students in the artistic theories, technological production and collaborative practices essential to co-create and curate immersive and interactive stories, games, performances and installations. Core lectures, seminars and studio work explore the conceptual and creative possibilities of this new area of knowledge and study.

Digital media has a tremendous impact on how we share, create and experience artistic works, and how users access and interact with these works; courses that explore these intersections and impacts are core to the Minor in Digital and Interactive Media in the Arts. The instructional and technological resources of the Faculty of Fine Arts make the minor a natural fit and distinctive offering for the Faculty that will attract students from across campus.

The proposed minor will benefit from connections with programs with a digital focus or components across campus, but is distinct from other programs in scope and purpose. As the only standalone Faculty of Fine Arts in British Columbia, our Faculty is strategically positioned to address the evolving intersection of digital culture with the world of art.

As technology continues to impact every sector of work, employers are increasingly seeking to employ individuals with strong digital skills and hands-on experience in developing and managing digital information.

2. Alignment with the university's mission and strategic plan

The proposal aligns well to the current Strategic Plan as it furthers the following strategic plan objectives in terms of improving the quality of academic programs, teaching, and learning:

Objective 12: To ensure that our undergraduate and graduate programs of teaching and learning are of the highest quality, responsive to intellectual developments and student needs, inclusive and organized around best practices in teaching and learning.

Objective 13: To enhance the quality of our students' classroom experience and ensure that the strong research culture at the University of Victoria is brought into both the physical and virtual classrooms.

Objective 21: To nurture our culture of excellence in research, scholarship and creative endeavors, enhancing UVic's local, national and international impact and reputation as a leading, innovative, research-intensive university.

3. Senate/academic consideration

The DIMA minor meets a number of UVic's learning outcomes including: Intellectual, academic and practical skills, personal and social responsibility capacities and allows for active engagement with diverse communities, societal issues and meaningful intellectual challenges. The proposal provides flexibility and is in demand.

4. Demand and availability

The Minor in Digital and Interactive Media in the Arts offers UVic students the possibility to complete training in interactive media as part of their Bachelor degree, giving them flexibility to combine the minor with a range of disciplines. Combinations with Computer Science, Digital Humanities, Film Studies and Technology and Society offer particularly compelling opportunities for students taking the DIMA minor. Digital and Interactive Media is an emerging field at Canadian institutions and one that aligns Faculty expertise with student and industry demand.

Programs in interactive and/or digital media leading to a Bachelor of Fine Arts are offered at a number of Canadian institutions across the country.

5. Resource implications (including resource plan, revenue and expenditure implications)

The minor is comprised of existing courses in the Faculty of Fine Arts. The Minor in Digital and Interactive Media in the Arts focuses Faculty efforts and expertise and directs them into an area of student and industry demand. The Minor in Digital and Interactive Media in the Arts will enhance enrollment in these courses. There is sufficient variety and quantity of required courses for the minor to be offered on an ongoing basis; most courses are currently offered by regular faculty. Not all courses need to be offered every year. The Faculty has sufficient budget funding and regular faculty complement to support the ongoing offering of the DIMA Minor.

6. Other relevant factors (including impact and outcomes)

Students will have a good broad knowledge of digital and interactive media at the end of their study. Digital and interactive media are growing fields with many opportunities for graduates with a experience in these areas. Depending on course selection, graduates from the program may be qualified to pursue further study either at UVic or another post-secondary institution, or may be employable in sectors of technology, education, and culture.

Attachment(s): Attachment(s) available upon request from the University Secretary's Office.



SUBMISSION TO THE UVIC BOARD OF GOVERNORS

FOR DECISION

May 30, 2016

blenie Strekne

To: Operations and Facilities Committee

From: Valerie S. Kuehne, Vice-President Academic and Provost

cc: President and Vice-Chancellor

Meeting Date: May 30, 2016

Subject: Interdisciplinary Undergraduate Certificate Program in the Human

Dimensions of Climate Change

Basis for Jurisdiction: Senate Committee on Planning Meeting on April 8, 2016

Senate Meeting on May 6, 2016

Strategic Relevance: The University's success is dependent on the ability to provide rich, relevant and diverse quality programs that demonstrate societal need and value, meet student demand and build upon faculty expertise. The proposal for the Interdisciplinary Undergraduate Certificate in the Human Dimensions of Climate Change will help UVic to be nationally and internationally competitive in the recruitment and retention of high calibre graduate students (Objective 4) and to be competitive in the quality of our program offerings (Objective 14).

Previous Consultation: At its meeting on May 6, 2016, Senate approved and recommended that the Board of Governors approve the establishment of an Interdisciplinary Undergraduate Certificate Program in the Human Dimensions of Climate Change. The proposal was approved by the Senate Committee on Planning at its meeting on April 8, 2016.

Recommendation:

That the Operations and Facilities Committee recommend to the Board of Governors that the Board of Governors approve, subject to funding, the establishment of an Interdisciplinary Undergraduate Certificate Program in the Human Dimensions of Climate Change, and that this approval be withdrawn if the program should not be offered within five years of the granting of approval.

Background:

Resource Plan for University of Victoria Board of Governors

1. Overview/Nature of the Academic Program

Climate change is a critical issue of our times. The University of Victoria currently offers an innovative interdisciplinary minor in the Human Dimensions of Climate Change (HDCC). It is the only Canadian University offering such a program of study. Given its uniqueness as well as the importance of this field of study, the program is frequently highlighted in media pieces about innovation and relevance in higher education.

The introduction of HDCC program as a certificate, as well as a minor, will allow greater flexibility for students in program selection and organization. It will allow students to concurrently earn credits for their major or general degree, while also earning credits to satisfy the HDCC Certificate. This is particularly important for students who have degree requirements that leave little or no room for electives, or that don't allow a minor program. It also provides an option for learners in the community who want to take the certificate, but are not interested in taking a regular degree program.

2. Alignment with the university's mission and strategic plan

This Certificate addresses the mission of the University of Victoria to engage the major issues of our times. Climate change might even be called the issue of our times. The proposed Certificate, like the current minor, addresses the missions of our university by actively integrating teaching and learning across the disciplines. It also employs our core strengths to benefit our external communities promoting civic and community engagement and global citizenship, and promoting the development of a sustainable society through our programs of education. The proposal aligns well to the current Strategic Plan including:

Objective 12: To ensure that our undergraduate and graduate programs of teaching and learning are of the highest quality, responsive to intellectual developments and student needs, inclusive and organized around best practices in teaching and learning.

Objective 13: To enhance the quality of our students' classroom experience and ensure that the strong research culture at the University of Victoria is brought into both the physical and virtual classrooms.

Objective 21: To nurture our culture of excellence in research, scholarship and creative endeavors, enhancing UVic's local, national and international impact and reputation as a leading, innovative, research-intensive university.

Objective 29: To engage the community through programs and activities that meet the mandate of the university and the needs of the community.

3. Senate/academic consideration

The Certificate enhances the quality of academic programs at the University and reflects the dynamic nature of the disciplines, as well as evolving interdisciplinary areas, and shows our commitment to global and community engagement in matters of vital importance for sustainability, social justice and civic responsibility.

4. Demand and availability

No other program on the human dimensions of climate change is known to exist in BC, or in Canada. The program is highly innovative and it is a natural complement to the University of Victoria's leadership in research and education with respect to climate change, environmental psychology, and political ecology and econometrics. There is overlap with existing curricula across multiple faculties and the minor and the proposed Certificate have PICS Climate 101 which is an introduction to the science of climate change built into their curricula.

This Certificate is primarily intended for students with an interest in climate change who are already working towards a Major, Honours or General program in one of the participating departments. However it is intended to also provide students in general with access to interdisciplinary courses in the issue of climate change, from human behavior, political and economic perspectives. All current UVic students as well as future transfer students will be also eligible to take the Certificate. Transfer credit for the courses they have taken at other postsecondary institutions will be assessed according to the usual UVic practice, i.e. on a course-by-course basis. We will also offer these courses on a non-credit basis to students in the community.

5. Resource implications (including resource plan, revenue and expenditure implications)

All the operating funds for the Certificate are in place and no additional resources are needed. The Certificate option will use existing resources of the Minor Degree program. The experiential learning course HDCC 490 will be self-financing.

6. Other relevant factors (including impact and outcomes)

The Certificate will prepare students for new career opportunities that will emerge as governments, institutions, businesses and service organizations respond to the realities of climate change. Students will be able to engage with civil-society and other organizations focused on climate change and environmental issues. As the program grows we hope to create opportunities for students to develop links with community organizations through co-op and other service-learning opportunities during their studies.

Attachment(s): Attachment(s) available upon request from the University Secretary's Office.



SUBMISSION TO THE UVIC BOARD OF GOVERNORS

FOR INFORMATION

To: OPERATIONS AND FACILITIES COMMITTEE

From: VICE-PRESIDENT FINANCE AND OPERATIONS

cc: President and Vice-Chancellor

Meeting Date: May 31, 2016

Subject: STATUS REPORT ON CAPITAL PROJECTS

Basis for Jurisdiction: Committee's Terms of Reference

Strategic Relevance:

Objective 36: To manage and protect our human, financial, physical and information resources in a responsible and sustainable fashion.

Previous Consultation:

Report provided to Board of Governors Operations and Facilities Committee at each meeting.

Background

Attached please find the regular Board reports on the status of capital projects for current approved capital projects.

Attachment(s):

VPFO/FMGT Project Updates: May 01, 2016

- 1. Centre for Athletics, Recreation and Special Abilities (CARSA) and Parkade Buildings
- 2. Continuing Studies Building Expansion

PROJECT:

CENTRE FOR ATHLETICS, RECREATION AND

SPECIAL ABILITIES (CARSA) + PARKADE BUILDINGS

Project No.:

08-7758, 10-9565

Project Architect: Cannon Design Architecture Inc. Contractor: Campbell Construction Ltd.

Approved Budget Approved Budget FMGT Forecast Costs BUDGET STATUS: 29-Jan-2013 28-May-2015 01-May-2016 Consulting 7,404,000 7,530,670 7,530,670 Construction 62,255,600 64,265,700 64,826,500 Completion 4,680,900 4,686,165 4,686,165 \$ \$ **Contingency** 306,500 \$ 1,332,300 \$ 867,300 \$ 75,672,800 77,394,835 77,349,835 Sub-Total \$ HST (3.4%) / GST (1.65%) 1,327,200 1,350,165 1,350,165 **TOTAL PROJECT COSTS** \$77,000,000 \$78,700,000 \$78,700,000

• Total forecasted Commitments to date are approximately \$78,100,000, including \$5,407,000 allocated to McKinnon Building renovations, representing 99% of the approved Budget of \$78,700,000.

SCHEDULE STATUS:	Revised Target Date 29-Jan-2013	Actual / Forecasted Date 01-May-2016
CARSA & PARKADE		4
Commence Schematic Design - Comp	lete Jan 2009	Jan 2009
Schematic Design - Complete	Apr 2009	May 2009
Design Development - Complete	Oct 2009	May 2010
Construction Documents - Complete	Jan 2011	Sep 2012
Tender - Complete	Dec 2012	Dec 2012
Construction Stage - Complete	Feb 2013	Feb 2013
Commissioning - Complete	Dec 2014	Mar 2015
Fit-up and Move In - Complete	Apr 2015	Apr 2015
MCKINNON BLDG RENOVATIONS		
Commence Construction - Complete	May 2015	Jul 2015
Construction Stage	Jul 2016	Jul 2016
Fit-up and Move In	Aug 2016	Aug 2016
Major Risks:		

Major Risks:

None at this time.



PROJECT: CONTINUING STUDIES BUILDING EXPANSION

Project No.:

12-00643

Project Architect:

Hughes Condon Marler Architects (HCMA)

General Contractor:

Knappett Projects Inc.

BUDGET STATUS:	Approved Budget 01-Oct-2013		FMGT Forecast Costs 01-May-2016		
Consulting	\$	1,570,000	\$	1,340,000	
Construction	\$	9,500,000	\$	10,640,000	
Completion	\$	1,900,000	\$	1,240,000	
Contingency	\$	500,000	\$	250,000	
Sub-Total	\$	13,470,000	\$	13,470,000	
GST (1.65%)	\$	230,000	\$	230,000	
TOTAL PROJECT COSTS	\$	13,700,000	\$	13,700,000	

Total Commitments to date are \$13,399,424 or 98% of the Approved Budget.

SCHEDULE STATUS:	Target Dates 01-Oct-2013	Actual/Forecasted Dates 01-May-2016
Programming Complete	Apr 2013	Apr 2013
Schematic Design Complete	Jun 2013	Jun 2013
Design Development Complete	Dec 2013	Dec 2013
Construction Documents Complete	Apr 2014	May 2014
Tender Complete	May 2014	June 2014
Commence Construction Complete	Jul 2014	Aug 2014
Construction Complete Complete	Jul 2015	Jan 2016
Occupancy for Fit-Out Complete	Jul 2015	Feb 2016
Operational Complete	Aug 2015	Mar 2016

Major Risks:

None.



SUBMISSION TO THE UVIC BOARD OF GOVERNORS

FOR DECISION

To: Finance Committee

From: VICE-PRESIDENT FINANCE AND OPERATIONS

cc: President and Vice-Chancellor

Meeting Date: May 31, 2016

Subject: Purchasing Policy (FM5105) Revision

Basis for Jurisdiction: Committee's Terms of Reference 6.1

Strategic Relevance:

Objective 36: To manage and protect our human, financial, physical and information resources in a responsible and sustainable fashion.

Recommendation:

That the Finance Committee recommend to the Board of Governors, that the Board of Governors approve the amendment of Purchasing Policy (FM5105) to include the purchase of food products for resale by University Food Services under the responsibility of the Director, University Food Services, to the list of goods and services excluded from the policy.

Background:

The university's Purchasing Policy (FM5105) is a Board approved policy which was last updated in 2015 with minor editorial changes. It is due for review and updating and we hope to bring a revised policy to the Board in the fall.

This request is a small change to exempt University Food Services (UNFS) purchases of goods for the production of food for resale from Purchasing Policy FM 5015.

The Purchasing Policy currently applies to UNFS purchases of food and food service related products, which are not considered "merchandise for resale," therefore requiring a competitive public procurement process. This creates barriers to operational and departmental efficiencies, and is not the norm within the higher education sector in Canada. Further, this type of policy is rarely applied to food service departments as the vast majority of purchases are, in fact, goods for resale.

Under the current policy, UNFS is not able to take advantage of market fluctuations in pricing, local supply, or availability of products, which prevents the department from effectively implementing dynamic pricing practices. The shift to a nimbler procurement approach is an essential step in the return of UNFS to profitability.

Goods intended for resale to the public are exempted from competitive public procurement requirements established in the New West Partnership Trade Agreement (NWPTA). BC's Ministry of Finance Procurement Core Policy and Procedures Manual indicates that competitive process is required for contracts for acquisitions of goods unless a specific exemption is available under NWPTA, which is the case for goods intended for resale.

Merchandise for resale is currently excluded from Purchasing Policy FM 5015, but limited to the Bookstore and Computer Store.

Attachment:

Purchasing Services Policy FM 5105



PURCHASING SERVICES POLICY

University Policy No.: FM5105 Classification: Financial Management Approving Authority: Board of Governors

Effective Date: March/15 Supersedes: April/07

Last Editorial Change: September/09

Mandated Review:

1.1 PURPOSE AND SCOPE OF PURCHASING SERVICES POLICY:

The purpose of the Purchasing Services Policy is to set out the responsibilities and accountability associated with the efficient and economical acquisition of goods and services. This policy applies to all university faculty and staff and includes all purchases, leases and rentals using operating, capital and restricted funds from trusts, contracts and research grants under the administration of the University and its affiliated entities (Section 1.6).

1.2 POLICY STATEMENT:

It is the policy of the University of Victoria to acquire goods and services through a competitive process whenever practical that results in supply arrangements at the most effective net cost, in the correct quantities, of the appropriate quality, and from the most responsive and responsible source.

Purchasing and supply management functions at the University of Victoria are centralized within the Purchasing Services Department which is delegated the responsibility and authority for acquiring goods, equipment, services and construction for all academic, administrative, and affiliated entities (Section 1.6), except those areas listed in Section 1.3 as being specifically delegated. Units responsible for excluded areas are required to comply with the same regulatory, common law, public procurement principles, processes, and procedures as if their requirements were conducted through Purchasing Services.

The chief purchasing agent will be the director, purchasing services, who shall ad minister the Purchasing Services Policy, and establish and employ such practices, processes, procedures or methods as are determined appropriate to the efficient and effective operation of supply management services.

In certain circumstances a portion of the Purchasing Services function may be delegated to other departments upon written approval of the vice-president finance and operations.

Contracts, Agreements and Purchase Requisitions are to be executed only as is stipulated in Signing Authority Policy (FM5100).

1.3 POLICY PROVISIONS:

- 1.3.1 Acquisition of goods, services and construction through purchase, lease or rental are to be undertaken in a fair, open and competitive manner.
- 1.3.2 Normally commitments to third parties may not be made, nor items acquired through lease which extend beyond confirmed funding availability (e.g. fiscal year budget, research grant); however, month-to-month rentals may be permitted subject to review by Purchasing Services providing there are no financial obligations initially, during, or at the expiration of an agreement that would result in a funding shortfall to the respective budget. Adjudication's regarding leases are the responsibility of the executive director, financial services, with exceptions requiring the approval of the vice- president finance and operations.
- 1.3.3 Commitments or indications of preference to third party suppliers are not to be made by departments, principal investigators or others apart from Purchasing Services or those responsible for excluded goods and services in 1.3 For unique and/or larger value equipment and other purchases, Purchasing Services shall be advised of the requirements at an early date both to utilize its expertise and sourcing contacts and to have the time to locate and finalize the best terms and conditions.
- 1.3.4 The purchase of goods and/or services shall be initiated by a properly completed and approved purchase requisition, stores requisition, or service request in accordance with spending and commitment authority guidelines (Purchasing Operating Guidelines Manual) and shall be contracted by a purchase order or formal agreement except for petty cash and purchasing card transactions. This provision also applies to delegated purchasing authority transactions.
- 1.3.5 Purchasing Services may issue purchasing cards, ghost cards or initiate other e-commerce purchase and payment mechanisms to facilitate acquisition of low value goods and/or services consistent with Signing Authority Policy (FM5100) and in accordance with Purchasing Operating Guidelines and the Purchasing Card Program Manual.
- 1.3.6 Whenever practical, Purchasing Services or the delegated unit responsible under 1.3 shall invite quotations from qualified suppliers for all goods and services and construction if the estimated cost is in excess of \$2,500. Purchasing Services shall establish Corporate Supply Agreements covering frequently required goods and services. Purchasing Services will, upon request, assist departments with the preparation and processing of quotations, tenders, requests for proposals, transactions, and contracts of any value including those identified in 3.1 as having delegated purchasing authority. The Spending and Commitment Authority Level Chart illustrated in the Purchasing Operating Guidelines Manual should be used as a guide in all acquisitions.

- 1.3.7 As set out in 1.4 and 1.5, Purchasing Services will obtain the advice, recommendation and sign-off of the various departments indicated prior to committing to a purchase with an external third party.
- 1.3.8 In order that Purchasing Services is aware of any potential conflict of interest in dealing with suppliers and can ensure there are no adverse consequences from such conflict, University employees with direct or indirect interest in a University supplier or merchant or potential supplier must report such interest to the director, purchasing services. Soliciting or accepting money, loans, credits, or prejudicial discounts, or the acceptance of gifts, entertainment, favors, or services from present or potential suppliers that might influence, or appear to influence purchasing decisions is prohibited. (Refer to Conflict of Interest and Confidentiality Policy GV0210)
- 1.3.9 Purchasing Services and other contracting officers shall refrain from entering into reciprocal agreements that restrain competition.
- 1.3.10 Purchasing Services shall comply with the letter and spirit of laws and regulations governing the public procurement function.
- 1.3.11 Contractual arrangements between the University and external organizations may include an agreed-upon exchange of cash, goods, and/or services that have a direct measurable value.
- 1.3.12 Purchasing Services is responsible for the disposal of all surplus materials and assets through re-allocation, direct sale, auction, trade, donation or landfill. All academic and administrative departments must provide Purchasing Services with a list of such items for disposal, including computers and other equipment and capital assets acquired with professional development account funding.
- 1.3.13 Organizational units responsible for the acquisition of goods or services under Section 1.3 must ensure that processes used to purchase goods or services are conducted in a manner that best serves the interests of the University and are consistent with this Purchasing Services Policy. Purchasing Services shall periodically review practices for these excluded goods and/or services to evaluate whether effectiveness and best value procurement practices are being followed.
- 1.3.14 Purchasing Services will make purchases in compliance with legislation and statutory regulations including CSA for safety standards, WHMIS for hazardous products, customs duties, excise taxes, GST and provincial sales taxes.
- 1.3.15 Delegated units/departments are encouraged to engage the expertise and services of purchasing services who are available to assist in sourcing requirements through established processes and methods.

1.3 GOODS AND SERVICES EXCLUDED FROM PURCHASING POLICY

<u>Excluded Goods or Service</u> Responsibility

Actuarial Services Pension Trustees and Executive Director, Financial Services

Arbitrators

Associate Vice-President, Human Resources

Auditing

Respective Boards of Governors or Directors

Vice-President Finance and Operations

Employee Outplacement

Services Associate Vice-President, Human Resources

Food products for resale (non Director, University Food Services (Does not include items to be supplied to

surplus items) internal departments)

Instruction and Honorariums FAST Account Holders (Refer to BOG Policy FM5100)

Insurance (Property & Executive Director, Financial Services

Casualty)
Investments and

Investment Manager Foundations, Pension Trustees, and Executive Director, Financial Services Appointments

Labour Relations and Benefits Advisors

Associate Vice-President, Human Resources

Legal Services (External Counsel)

General Counsel

Library Materials (Books, Periodicals & Multi Media) University Librarian

Merchandise for Resale (Non surplus Items)

Bookstore, Computer Store Managers, (Does not include items supplied to internal departments)

Multi Media – In House Production Chief Information Officer

Permits, Fees, Licenses (Government Issued)

Accountable Department

Personal Services See Business Firm Retainer Form and <u>Determination of Employment Relationship Policy (HR6325)</u>

Petty Cash Executive Director, Financial Services

Internal Photography
Service Chief Information Officer

Real Estate: Acquisitions, Vice-President, Finance and Operations Disposals and Leases

Utilities (Electricity, Gas, and Water) Executive Director, Facilities Management

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1.4 **GOODS AND SERVICES REQUIRING TECHNICAL APPROVAL** (SPECIFICATIONS) PRIOR TO PURCHASE.

Goods or Service Area of Responsibility

Computers and Peripherals Computing and Systems Services

Furniture Facilities Management

Graphic Design (Off Campus services) **External Relations and Development** Graphic Design (On Campus services) External Relations and Development

Printing **Printing Services** Video Tapes Film Library

1.5 **GOODS AND SERVICES WHERE DEPARTMENTS IDENTIFY** REQUIREMENTS THROUGH SPECIFICATIONS OR SCOPE OF WORK, PURCHASING SERVICES CONDUCTS SOURCING EXERCISE, AND DEPARTMENT RECOMMENDS APPROVAL OF SUPPLIER OR CONTRACT.

Goods or Service Responsibility

Advertising and Visual **External Relations and Development** Identity Program

Audio Visual Registrar or Computing and Systems Services

Communications - Media

External Relations and Development Relations

Construction Facilities Management Consultants - Capital **Facilities Management** Planning/Feasibility Environmental.

Recycling, Sustainability

Family Assistance **Human Resources** Programs

Marketing **External Relations and Development**

Printing and Duplicating

Printing Services (Photocopiers)

Radio and Television **External Relations and Development**

(See Relocation Grant Policy (HR6405))Vice-Relocations

President Academic

Facilities Management

Telecommunication

Services (Voice, Data, Network Services (CASS)

Other)

Temporary Staff

Human Resources Agencies

Travel – Non Staff Various FAST Account Holders

Related (Research and

Other)

(See <u>Travel and Business Expenses Policy</u>

Travel - Staff Related HR6500 and Hospitality Expenditure Policy FM600)

University Logo Items External Relations and Development

1.6 AFFILIATED ENTITIES:

1.6.1 University Industry Partnerships

1.6.2 University of Victoria Foundation

1.6.3 Foundation for the University of Victoria

1.6.4 Pension Plans

1.6.5 Centres of Excellence

1.6.6 Bamfield Marine Centre

1.6.7 Vancouver Island Technology Park

1.6.8 University of Victoria Properties Investments Inc.

Same



SUBMISSION TO THE UVIC BOARD OF GOVERNORS

FOR INFORMATION

To: FINANCE COMMITTEE

From: VICE-PRESIDENT FINANCE AND OPERATIONS

cc: President and Vice-Chancellor

Meeting Date: May 31, 2016

Subject: 2015 ANNUAL REPORTS and FINANCIAL STATEMENTS

University of Victoria Combination Pension Plan, and University of Victoria Money Purchase Pension Plan

Basis for Jurisdiction: Section XIV(7) of the Trust Agreements for the University of Victoria

Combination Pension Plan and University of Victoria Money

Purchase Pension Plan

Strategic Relevance:

One of the pillars of the strategic plan is that we will attract and retain a diverse group of exceptionally talented faculty and staff. Part of attracting and retaining faculty and staff is a strong benefits package. Pension is a critical part of any compensation package and as such appropriate financial oversight is important. As well, this submission is required in order to remain in compliance with statutory requirements under provincial law and under the provisions of the Trust Agreements.

Background:

Section XIV(7) of the Combination and Money Purchase Trust agreement requires that the Trustees send, within one hundred and fifty days following the end of the fiscal year, a copy of a statement of account to the Board of Governors.

Attached are the annual reports and the financial statements for both plans as approved by the Trustees. The annual report was distributed to members in early April.

Attachment(s):

- 1. University of Victoria Combination Pension Plan Annual Report and Financial Statements December 31, 2015
- 2. University of Victoria Money Purchase Pension Plan Annual Report and Financial Statements December 31, 2015

UNIVERSITY OF VICTORIA COMBINATION PENSION PLAN

ANNUAL REPORT 2015

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The information in this report is provided for the general information of members. The precise terms and conditions of the Plan are provided in the relevant plan documents. If there is a discrepancy between this report and the plan documents, the plan documents apply.

Letter from the Chair

During 2015, I am sure many of us complained loudly about the high cost of our American trips caused by the collapsing Canadian dollar. Promised upsides such as improvements in Canadian manufacturing industry have been slow to materialize. However, we can certainly celebrate the positive effect on the pension plan. In a year when the Canadian stock market declined 8.3%, the plan posted an amazing 8.75% net gain, almost entirely due to the declining dollar. Thus, the S&P 500, MSCI EAFE, and MSCI world indices were essentially flat in local currencies but up 19-21% in Canadian dollars. Even emerging markets, which had a dismal year, down 14.9% in local currencies, were up 2% in Canadian dollars.

Returns in the bond markets were modest but steady at 3.82% compared with benchmark returns of 3.52%. This may sound like a small gain by our active managers (PH&N), but even small out-performance is significant in the context of bond markets.

Information on the breakdown of our assets between managers and asset classes and the individual returns for those assets is included in the table on page 9 of this annual report. Early in 2014, the Trustees took the decision to decrease our exposure to Canadian equities (from a benchmark weight of 27 to 22%) whilst increasing the foreign equity benchmark from 27 to 32%. This move was similar to changes made by many Canadian pension funds and investment managers as concerns have deepened over the sector concentration (energy, materials and financials) and resulting high volatility of Canadian markets. Given the effect of currency on our overall returns, this proved to be a good decision for 2015, although there has been some early drift in the opposite direction in early 2016. As always, it is the long term which counts!

You will see from the tables elsewhere in this report (page 10), our gross returns for recent periods are: 2015 9.10%, last 4 years 11.66% and last 10 years 6.97%. The ten year number is lower because it includes the worldwide financial crisis of 2008. Corresponding net returns are 8.75, 11.31 and 6.71%, illustrating once again our extremely low operating expenses. The largest part of this expense is investment management, at 0.28% with the pension office costing only 0.05%.

As I noted in my last several letters: "world economies have recovered from the 2008 melt-down, but generally rather slowly." This remains true and in consequence, economists re-

main pessimistic about the returns to be expected for a Plan such as ours. In this context we can be delighted and relieved with our 8.75% reported above. Our 2014 milestone of reaching one billion dollars in assets remained intact during 2015 with a final total of about 1.1 billion. However, we must remain cautious, since market volatility remains and has increased with the fluctuating prices for the Canadian dollar, oil and other materials.

Turning to the administration of the Plan, it is somewhat remarkable that there have been only three pension managers over the 48 year history of the plans: Dennis Davis until 1980, John Levy until 1998, and Susan Service until three months ago. Regrettably, Susan Service decided to resign her position at the end of 2015 to return to her previous work with the public service pension plan. She thus narrowly missed deposing John Levy as the long service record holder in the Director of Pensions posi-Susan's period of service corresponded very closely with my own tenure as a Trustee and in consequence I have had many opportunities over the years to value and appreciate her expertise, work-ethic and total commitment to the Pension Plan. We all owe her a huge vote of thanks and she will be sorely missed. The University administration and the Trustees are currently seeking candidates to replace Susan in this vital position.

Another recent change in the Pension Office has been the addition of a new Pension Governance and Communications Officer who will work closely with the Pension Board and its Trustees. We welcomed Marie Lapointe to this position in February 2016.

The pension office and the Trustees encountered a very heavy workload in 2015 due to the implementation of the new Pension Benefits Standards Act (PBSA) developed jointly by the governments of Alberta and British Columbia. This Act is based on an advisory committee report filed in 2008 and passed the B.C. legislature on 31st May, 2012. The accompanying detailed regulations were released in the spring of 2015 with compliance deadlines for plan administration by 30th September and mandatory new policies by 31st December (since extended to 31st March 2016). More detail of the provisions of the new act as they apply to this Plan are set out on Pages 15 and 16 of this report. The new mandatory policies include funding and governance policies, the former covering in more detail the management of long term objectives and risks such as those which recently led to increases in contribution rates.

Many other plans have combined this sort of policy making with formalized statements of investment beliefs. These statements constitute a more generalized view of plan philosophy than the relatively factual, investment rule based approach of our current Statement of Investment Policies and Goals, which is still required under the new law. Developing new policies will consume much Trustee time and effort over the next few years. During this process the Trustees will continue to question our professional managers and consultants as to the most appropriate and sustainable investment choices. From recent conferences and publications it is clear that the financial management industry is moving towards accepting as best practice the incorporation of environmental, social, and governance (ESG) considerations into stock selection, and there is some initial evidence that companies which incorporate sustainability considerations into their business plans may perform better. We note that another of our managers, PH&N, has now joined bcIMC as signatories to the United Nations Principles of Responsible Investing. However, it remains the view of the managers, and the Trustees, that engaging with companies and urging sustainable approaches is a better option than divestment. It remains true that the Trustees have sole legal responsibility for setting investment policy and that a welldiversified portfolio minimizes investment risk. The new Act confirms that Trustees' fiduciary duty in B.C. must remain focused on the best financial interests of the members.

In 2016, the work of the Trustees will focus mainly on the new PBSA and also our triennial valuation which will assess the state of the Plan as of 31st December 2015.

You will recall that our Board of Trustees is composed of four trustees elected by the membership and four appointed by the Board of Governors (BOG). Deborah George's term as an appointed trustee ended on 30th June 2015 and she decided to decline reappointment be-

cause of commitments to various Victoria chari-Her 13 years on the Board have been very valuable to us, especially her governance expertise on the Policy and Procedures committee and as Vice-Chair of the Board. I personally greatly appreciated her support and wise counsel in the latter position. We extend our thanks for her work and our best wishes for her future endeavours. Deborah was replaced by John Gilfoyle, who recently retired from his role as a strategy and investment consultant to selected pension funds in Western Canada, after a long career in investment management and consulting. We welcome the opportunity to make use of his skills and extensive knowledge and experience in the pension industry.

Martha O'Brien has agreed to assume the role of Vice-Chair vacated by Deborah and I will greatly value her support and legal knowledge. Our committee Chairs are Kristi Simpson (Investment and Valuation committees), Martha O'Brien (Policy and Procedures), and myself (Governance and Communications).

Finally, I look forward to meeting many of you at our Annual General Meeting on April 19th. Best Wishes to all for 2016 and beyond,

Keith R. Dixon

Chair, Board of Pension Trustees

Governance

The Plan is governed by a Board of Trustees (the "Pension Board"). There are eight trustees on the Pension Board, four elected by plan members for terms of up to three years and four appointed by the University's Board of Governors ("BOG").

The Pension Board oversees investment of the pension fund, financial management of the Plan and ensures the Plan is administered in accordance with the trust agreement, the *Income Tax Act (Canada)* and *Pension Benefit Standards Act (BC)*.

As at 31 December 2015, the Trustees were:

Dr. Keith Dixon - CHAIR

Professor Emeritus, Department of Chemistry Appointed term

From 1 January 2015 to 31 December 2017

Professor Martha O'Brien—VICE CHAIR

Professor, Faculty of Law Elected term

From 1 January 2015 to 31 December 2017

Mr. John Gilfoyle

Appointed term From 1 July 2015 to 30 June 2018

Ms. Lisa Hill

Appointed term

From 1 September 2014 to 31 August 2017

Mr. Duc Le

Elected term

From 1 January 2014 to 31 December 2016

Dr. Michael Miller

Associate Vice-President, Research Elected term From 1 January 2014 to 31 December 2016

Mr. Joe Sass

Elected term

From 1 January 2015 to 31 December 2017

Ms. Kristi Simpson

Associate Vice-President, Financial Planning & Operations Appointed ex-officio

Committees

Actuarial Valuation Committee

Ms. Kristi Simpson—CHAIR

Ms. Lisa Hill

Mr. Joe Sass

Governance and Communications Committee

Dr. Keith Dixon—CHAIR Professor Martha O'Brien Ms. Kristi Simpson

Investment Committee

Ms. Kristi Simpson—CHAIR

Ms. Lisa Hill

Dr. Michael Miller

Policy and Procedures Committee

Professor Martha O'Brien—CHAIR

Mr. John Gilfoyle

Mr. Duc Le

Annual General Meeting

4:30 p.m. Tuesday, 19 April 2016 Room A104 Bob Wright Centre

This is an informal meeting at which the Pension Board reports to the membership and answers questions. The meeting will include a brief presentation. The Pension Board hopes members will be able to attend.

Investments and Returns (expressed in \$000's)	2013		201	4	2015	
Market value of investments Balanced Fund Defined Retirement Benefit Fund	\$749,110 110,005		\$826,180 131,525		\$888,322 150,370	
Balanced Fund Gross returns Expenses Net returns distributed to accounts	\$100,198 (1,979) 8,219	% 15.31 (0.30) 15.01	\$91,098 (2,498) 88,600	% 12.21 (0.33) 11.88	\$75,179 (2,884) 72,295	% 9.10 (0.35) 8.75
Defined Retirement Benefit Fund Gross returns Expenses Net returns	\$14,090 (301) 13,789	15.35 (0.32) 15.03	\$14,884 (420) 14,464	13.30 (0.38) 12.92	\$13,149 (617) 12,532	9.92 (0.47) 9.45

Benefit Payments	2013	2014	2015
(expressed in \$000's)			
Lump sum payments and transfers Pensions	\$ 7,320	\$10,796	\$ 3,996
3.5% internal variable annuities 5% internal variable annuities Defined benefit pensions Defined benefit supplements Variable benefits	\$ 2,342 344 153 342 15,102	\$ 2,895 339 131 401 17,817	\$ 3,772 309 110 435 19,550

In 1990 defined benefit pensions were replaced with a combination of the 3.5% internal variable annuity and defined benefit supplement; in 1997, the variable benefit was added; and, at the end of 2011, the 5% annuity ceased to be offered.

Contributions	2013	2014	2015		
(expressed in \$000's)					
Members' required University required Members' voluntary Transfers from other plans	\$ 7,897 16,964 148 1,658	\$ 8,519 18,242 168 2,235	\$ 8,516 18,316 194 3,027		

Adjustments to Pensions	2013	2014	2015
Defined benefit pensions and supplements 3.5% internal variable annuities (reduction) 5.0% internal variable annuities (reduction)	%	%	%
	1.2	1.1	1.8
	5.3	6.1	8.1
	3.8	4.5	6.6

Full audited financial statements are available online at: www.uvic.ca/financialplanning/pensions/combination. A print copy may also be requested from Pension Services at (250) 721-7030 or by email at pensions@uvic.ca with the subject line "Combination Plan Financial Statements Print Copy".

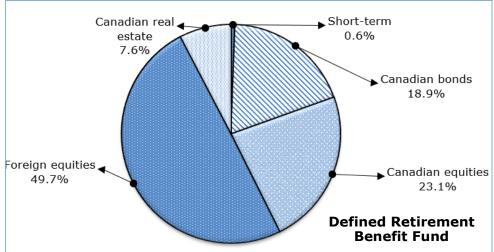
Objectives

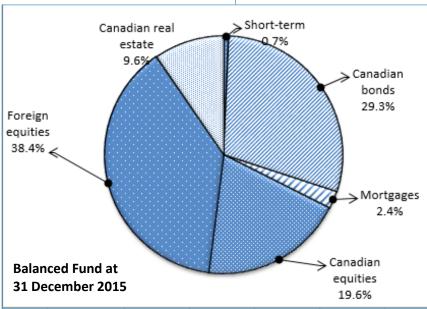
Plan assets are distributed over two funds: the Balanced Fund and the Defined Retirement Benefit Fund. Individual member accounts (Combined Contribution Accounts, Variable Benefit Accounts and Additional Voluntary Contribution Accounts of active and inactive members) are held in the Balanced Fund, together with member accounts from the Money Purchase Pension Plan. The Defined Retirement Benefit Fund holds the assets of the Defined Retirement Benefit Account from which defined benefit pensions and supplements are paid.

The main long-term investment objectives set by the Pension Board and accepted by the Plan's investment managers (refer to Appendix E) are to secure the obligation of the Plan and the University for pension benefit payments. In recognition of the Plan's current characteristics, an average degree of risk in terms of short-term variability of returns may be tolerated in the Balanced Fund's investments in pursuit of longer term returns. A higher degree of risk in terms of short-term variability of returns may be tolerated in the Defined Retirement Benefit Fund's investments in pursuit of longer term returns.

The primary objective for the Funds is to achieve a rate of return, net of investment fees and based on a four-year moving average, which is above a benchmark rate of return associated with asset mix policy. The **charts below** show each Fund's actual asset mix at 31 December 2015.

Asset Mix





Investment returns

Investment returns are measured on a timeweighted basis. The return objectives include realized and unrealized capital gains or losses, plus income from all sources.

The Investment Committee monitors and reviews performance and reports to the Pension Board on a quarterly basis. While short-term results are of interest, it is important to recognize that an investment strategy ought to provide good results over the longer term. As a consequence, the Pension Board focuses on evaluating investment performance over rolling four-year periods. Over rolling four-year periods, the domestic managers are expected to meet the

benchmark plus 0.5% per annum, plus investment management and pooled fund custodial fees. The foreign equity manager is expected to meet the standard plus 1.0% per annum, plus investment management and pooled fund custodial fees. The real estate manager is expected to return the Canadian Consumer Price Index plus 4%. The benchmark for the total fund is a composite of the benchmarks for the individual asset classes.

Balanced Fund Asset Mix and Performance as at 31 December 2015								
ASSET CLASS (benchmark)	Actual Weight	Benchmark Weight (Range)	1 year Gross Return	1 year Benchmark Return	4 year Gross Return	4 year Benchmark Return		
Underlying manager	(%)	(%)	(%)	(%)	(%)	(%)		
SHORT-TERM (FTSE TMX Canada 91-day T-Bill	Index)							
BC Investment Management Corporation Fiera Capital Corporation Phillips, Hager & North Investment	0.5 -							
Management Limited	0.2							
Total	0.7	0 (0-21)	1.2	0.6	1.9	0.9		
FIXED INCOME (FTSE TMX Canada Universe B	ond Index	c)						
Phillips, Hager & North Investment Management Limited	31.7	36 (20-46)	3.9	3.5	4.6	3.6		
CANADIAN EQUITIES (S&P/TSX Composite In	dex)							
BC Investment Management Corporation Fiera Capital Corporation	9.6 10.0	11 each (9-13)	(2.8) (2.8)		n/a 8.4			
Total	19.6	22 (14-27)	(2.8)	(8.3)	8.9	5.3		
FOREIGN EQUITIES (MSCI World Ex-Canada N	let, \$Cdn,	Index)						
BC Investment Management Corporation	38.4	32 (20-40)	23.0	20.0	22.0	20.8		
REAL ESTATE (Canadian Consumer Price Inde								
BC Investment Management Corporation	9.6	10 (5-15)	5.7	5.7	9.8	5.3		
TOTAL FUND (Composite Benchmark)			9.1	6.1	11.7	9.3		

Investments

Balanced Fund—annualized returns

The table below shows the annualized rates of return on the Balanced Fund portfolio over the last ten calendar years. "Gross Gain (Loss)" are returns before expenses. "Net Gain (Loss)" are returns after all investment and operating expenses. "Net Gain (Loss)" is the rate of return credited to members' individual Combined Contribution Accounts, Variable Benefit Accounts and Voluntary Contribution Accounts. Past performance is not a reliable indicator of future performance.

	1 y	ear	4 y	ear	10 year		
Year ended 31 December	Gross Gain (Loss)	Net Gain (Loss)	Gross Gain (Loss)	Net Gain (Loss)	Gross Gain (Loss)	Net Gain (Loss)	
2015	% 9.10	% 8.75	% 11.66	% 11.31	% 6.97	% 6.71	
2014	12.21	11.88	9.47	9.18	7.36	7.08	
2013	15.31	15.01	8.82	8.54	7.32	7.06	
2012	9.98	9.71	8.98	8.71	7.28	7.03	
2011	0.92	0.65	2.17	1.90	5.86	5.59	
2010	9.56	9.30	2.68	2.42	6.00	5.76	
2009	16.01	15.72	3.44	3.18	6.31	6.07	
2008	(15.05)	(15.29)	2.75	2.49	5.81	5.57	
2007	2.94	2.69	10.05	9.81	8.49	8.23	
2006	12.87	12.60	13.12	12.88	9.12	8.85	
2005	12.91	12.63	8.70	8.47	9.69	9.41	

Balanced Fund—expense ratio detail

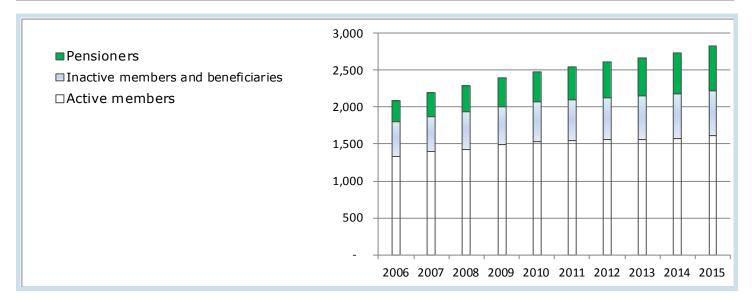
(expressed in \$000's)

The table below provides the detail of all expenses incurred in investing and operating the pension plan. Expenses are deducted from gross gain to determine net gain. Due to the effect of compounding, expenses can have a material impact on final account balances over extended periods of time. Expenses are often described as expense ratios and expressed as basis points; 0.33% is 33 basis points.

	2013		2014		2015	
Balanced Fund Investment management expenses Custodial and consulting expenses Actuarial expenses Office and administration expenses Audit and legal expenses	\$1,505 138 - 300 36	% 0.23 0.02 - 0.05	\$1,982 127 - 355 34	% 0.26 0.02 - 0.05	\$2,331 129 - 362 62	% 0.28 0.02 - 0.05
Total expenses	\$1,979	0.30	\$2,498	0.33	\$2,884	0.35

The table and chart below show the growth in plan membership over the past ten years. Active members are members who are still employed by the University and contributing to the Plan. Inactive members are members who have terminated employment but have not yet elected a benefit; the category also includes a small number of accounts held by surviving spouses of members who died before retirement. Pensioners are members and beneficiaries who are drawing a monthly pension from the Plan.

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Active members Inactive members Pensioners	1,339 448 284		1,416 517 353	1,480 522 382	1,519 530 414	1,538 556 448	1,544 580 484	1,547 597 512	1,566 600 567	1,600 616 611
Total	2,071	2,186	2,286	2,384	2,463	2,542	2,608	2,656	2,733	2,827



Types of Pensions

The table below shows the types of pensions being paid by the Plan.

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Defined benefit pensions Defined benefit supplements Internal variable annuities Variable benefits Adjust for combinations	19 8 59 216 (18)	17 13 68 247 (24)	15 16 73 277 (28)	14 36 84 297 (49)	12 41 99 320 (58)	11 47 109 347 (66)	10 76 135 362 (99)	9 89 154 373 (113)	9 107 185 398 (132)	5 123 213 428 (158)
Total pensioners	284	321	353	382	414	448	484	512	567	611

In 1990 defined benefit pensions were replaced with a combination of the 3.5% internal variable annuity and defined benefit supplement; in 1997, the variable benefit was added; and, at the end of 2011, the 5% annuity ceased to be offered.

Understanding the Plan

What are the contributions?

Members and the University share the cost of the Plan.

Combined Contribution Account (defined contribution): For 2016, members' contributions are 4.35% of basic salary up to the YMPE (Year's Maximum Pensionable Earnings, the contributory earnings upper limit under the Canada Pension Plan) of \$54,900 plus 6.35% of basic salary in excess of that amount. Members' contributions are credited to members' individual Combined Contribution Accounts (CCAs).

The University contributes to individual CCAs an amount equal to 6.02% of basic salary up to the \$54,900 plus 7.65% in excess of that amount.

Total contributions to individual members' CCAs are therefore 10.37% of salary up to the \$54,900 plus 14% in excess of that amount, subject to the limit that they may not exceed the

lesser of 18% of the member's earnings and the annual defined contribution maximum set under the *Income Tax Act* (\$25,370 in 2016).

Defined Retirement Benefit Account: The defined benefit minimum is funded by University contributions equal to 5.05% of earnings in 2016.

Voluntary: Subject to *Income Tax Act* maximums, members may elect to make additional contributions to a voluntary contribution account through payroll deduction or by transfer from another registered plan (RRSP or Canadian registered pension plan). Transfers from spousal RRSPs are not permitted.

Example of 2016 pension contributions Based on an annual salary of \$95,000											
	Member		University		Total						
	Amount	(%)	Amount	(%)	Amount	(%)					
Combined Contribution Account	\$4,934	5.19	\$ 6,373	6.71	\$11,307	11.90					
Defined Retirement Benefit Account	-		4,798	5.05	4,798	5.05					
Canada Pension Plan	2,544	2.68	2,544	2.68	5,088	5.36					
Total pension contributions	\$7,478	7.87	\$13,715	14.44	\$21,113	22.31					

When are members eligible for a retirement benefit?

The Combination Pension Plan provides immediate vesting, which means there are no minimum service requirements for a pension. However, there are age requirements.

Normal retirement date for a member of the Combination Pension Plan is the last day of the month in which the member attains 65 years of age. This is the date at which the defined benefit minimum is calculated without reduction.

Early retirement A member may elect to take early retirement on or after the end of the month in which the member attains 55 years of age. In this case, the defined benefit minimum (described on page 13) is reduced to its actuarial equivalent. The reductions are shown in the table on page 18.

Deferred retirement A member may defer commencement of retirement benefits until the end of the calendar year in which the member attains 71 years of age. If a member does not select a benefit by 31 October of the year they turn age 71, they will be deemed to have selected an option that does not require spousal consent or waivers and provides maximum future flexibility; non locked-in amounts that are under two times the YMPE for 2016 ($$54,900 \times 2 = $109,800$) are paid out in cash, less withholding tax.

What are the options at retirement?

A member has a range of options designed to allow tailoring of retirement income to suit his or her individual situation, preferences, and financial plan. The detailed selection of any one option or a combination of options is a matter for the individual member and his or her private financial advisor, and the Plan cannot provide this type of advice. Spousal consent is required for some options. Subject to some restrictions, options may be combined for maximum flexibility.

With minor variations, there are basically two options available directly from the Plan and essentially the same two options outside the Plan. Within the Plan, a member may choose between lifetime annuity and a variable benefit (basically similar to an external life income Alternatively the member may remove his or her funds from the Plan, and choose between an external annuity, for example from an insurance company, or a registered retirement/ life income fund. Whether within the Plan, or external to it, an annuity is purchased with a member's Combined Contribution Account (CCA) balance, which means that control and ownership of the account balance is relinquished in exchange for the promise of a future lifetime income. This is in contrast to the variable benefit or a retirement income fund, where the member retains control and ownership of the account balance, and makes withdrawals within statutory limits.

If a member wishes to defer commencement of benefits, this can be accomplished (to age 71) by leaving the money within his or her CCA, or external to the Plan by making use of locked-in retirement account (LIRAs).

1. Internal Variable Annuity (with defined benefit minimum)

An internal variable annuity is purchased with the balance in a member's CCA. It is basically similar to an external annuity, with the initial amount payable depending on the available CCA balance, the age of the member, and the survivor option selected. There are three main differences between an internal annuity and an external annuity.

Firstly, internal annuity payments are adjusted each 1st July to reflect the investment performance of the Plan during the prior calendar year, or that portion of the year that the annuity was being paid, relative to the 3.5% underlying earnings assumption. If the Plan earned more or less than 3.5%, the payments are adjusted accordingly. For example, if the Plan earned 6% the annuity would increase on the following 1 July by

approximately 2.5%; if the Plan lost 3%, the annuity would decrease by approximately 6.5%. The performance adjustment means that the internal annuities carry somewhat more risk than an external annuity, but also the potential for benefit if the Plan does well.

Secondly, internal annuities are adjusted to reflect the longevity experience of the group of annuitants.

Thirdly, provided the member was not previously on the variable benefit, payments under the internal variable annuity option cannot fall below the minimum calculated on a defined benefit basis.

The **defined benefit minimum** at normal retirement is the sum of (A) and (B) below:

- (A) 1.3% of the average of the highest consecutive five year's salary ("Final Average Earnings") up to the three year average Year's Maximum Pensionable Earnings ("Average YMPE") defined by the Canada Pension Plan MULTIPLIED by years of credited service
- (B) 2% of Final Average Earnings in excess of the Average YMPE MULTIPLIED by years of credited service.

Options at a Glance

- Purchase an internal variable annuity from the Plan (with defined benefit minimum)
- Start a variable benefit (RRIF/LIF-type option) from the Plan
- Purchase a life annuity from an insurance company
- Transfer CCA to a RRIF/LIF
- Transfer CCA to a locked-in retirement account (LIRA)
- Transfer CCA to another registered pension plan
- Leave CCA on deposit for a future pension (default option)

Options at retirement ~ continued

The defined benefit minimum is currently limited to \$2,890 per year of service credited after 1990 and is actuarially reduced for early retirement. The resulting single life pension is converted into the same survivor option that was selected for the variable annuity. An individualized sample calculation (single life) is provided to each member as part of the annual member statement. After retirement, the defined benefit minimum is indexed each 1 July based on the annual change in the Canadian Consumer Price Index, to a maximum of 3% per year.

If only a fraction of a member's CCA is applied to this option, there is a minimum of three times the YMPE (in 2016 the figure is $3 \times \$54,900$); the defined benefit minimum is then reduced to the same fraction.

A table of 2016 single life annuity rates and actuarial reductions is reproduced in Appendix A of this report. Other survivor options are available but the amount of pension will differ. If the member has a spouse, a minimum 60% joint life pension is required unless the spouse waives that right.

2. Variable Benefit

This option is similar to an external life income fund. The funds that accumulated in a member's CCA are held in a Variable Benefit Account (VBA). The member retains ownership of the funds and each year sets the monthly retirement benefit, subject to statutory minima and maxima. The minimum does not take effect until the year the member reaches age 72 and, for a particular year after age 71, is the value of the account at the start of the year multiplied by the appropriate percentage rate from an age-based table. A member with a younger spouse may elect to use the spouse's age for purposes of determining the appropriate percentage rate for the minimum withdrawal. The maximum for a particular year only applies to the locked-in (post -1992) portion of a member's account. For pensioners who have been on the option for a full calendar year, the maximum is the greater of: (a) actual investment returns for the preceding year; and (b) the locked-in portion of the account at the start of the year multiplied by the appropriate factor from an age-based table. A booklet explaining the variable benefit in more detail is available upon request from Pension Services. The booklet contains a table of withdrawal rate limits.

The balance remaining in a member's account after each month's withdrawal shares in the in-

vestment performance of the Balanced Fund and, when the member dies, any remaining balance forms the survivor benefit.

If the member has a spouse, spousal consent is required for the variable benefit option.

With one full calendar month of notice, a variable benefit pensioner may terminate the pension and apply the balance remaining to one or a combination of the other options, except that the defined benefit minimum is not available. If the member is over 71 years of age, the minimum withdrawal for the year must be satisfied before the funds are applied to another option. If the funds are transferred to a life income fund, no withdrawal is permitted from the new life income fund until the following calendar year.

3. Life Annuity from a life insurance company

Life annuities may be purchased from life insurance companies. Normally, a life annuity pays a fixed annual amount, unlike our internal annuities, which vary according to investment performance. Some companies may offer annuities with a fixed annual percentage escalation over time. As with the internal annuities, the initial payments depend on the balance available, the age of the annuitant, and the survivor option selected. Annuity rates offered are based on prevailing interest rates and other market factors, and can vary substantially from one company to another.

4. Registered Retirement and Life Income Funds (RRIFs and LIFs)

The portion of a member's account that is attributable to pre-1993 contributions may be transferred to a registered retirement income fund (RRIF). The remainder (post-1992) is locked-in and is only transferable to a life income fund (LIF). In both cases, the member retains ownership of the monies. The permissible underlying investments of RRIFs and LIFs are the same as for registered retirement savings plans (RRSPs) and may be self-directed. Based on the age of the member, there are statutory annual minimums for withdrawals from RRIFs and LIFs, and a maximum for LIFs, but no maximum for RRIFs. If the member has a spouse, spousal consent is required for a transfer to a LIF.

What are the options upon termination of employment?

If a member leaves the employ of the University before earliest retirement age (55 years of age), the member is eligible for one of the following options:

- Leave Combined Contribution Account (CCA) on deposit for a future pension (default option)
- Transfer CCA to a locked-in retirement account (LIRA)
- Transfer to a life income fund (LIF) (minimum age 50)
- Transfer CCA to another registered pension plan

 Purchase a deferred life annuity from an insurance company (minimum age 50)

Any portion of the member's account that is attributable to contributions made prior to 1993 is not subject to lock-in conditions and may be transferred to a regular RRSP or Registered Retirement Income Fund (RRIF) or be paid in cash less withholding tax. A member must commence a pension benefit or effect a transfer from the Plan

What are the survivor benefits?

A spouse is automatically entitled to the survivor benefit unless they waive that right by completing a spousal waiver (PBSA prescribed Form 4). The survivor benefit for a spouse is 100% of the benefit accrued by the Member. The surviving spouse is entitled to any of the options that are available to the Member, with the exception that the spouse need not have attained 55 years of age to commence a monthly benefit and the spouse's defined benefit minimum is the actuarial equivalent of the Member's defined benefit minimum. A surviving spouse must commence a pension benefit or elect a transfer from the plan by the later of one year following the Member's date of death or the end of the calendar year in which the spouse attains 71 years of age.

The survivor benefit for a beneficiary who is not a spouse is the balance accumulated in the Combined Contribution Account (CCA) and, if applicable, Voluntary Contribution Account(s), payable in a cash lump sum, less applicable withholding tax.

The survivor benefit for a pensioner on the variable benefit is the total in the member's variable benefit account.

The survivor benefit for a pensioner in receipt of an annuity from the plan is determined by the optional form selected by the member immediately prior to commencement of the annuity. The optional forms available for internal annuities are as follows:

- Joint and last survivor where 66.7%, 75% or 100% of the benefit will continue to the spouse, if pre-deceased by the member.
- Joint and last survivor where 66.7% of the benefit will continue after the first death of either the spouse or the member.
- Joint and last survivor where payments will continue in full for the lifetime of the member or spouse, whoever lives longer, and with a guaranteed minimum of 10 or 15 years.
- Single life where payments continue for the member's lifetime with a guaranteed minimum of 0, 5, 10 or 15 years.

If the member has a spouse, the member must select a form which provides at least a lifetime 60% survivor benefit unless the spouse completes a waiver.

Plan solvency

Under the *Pension Benefits Standards Regulation* (*BC*), a pension plan containing a defined benefit component must undertake a plan valuation to assess the financial health of the plan at intervals not exceeding 3 years; the defined benefit component in the Combination Plan is the Defined Retirement Benefit, as described in this report.

One type of valuation required is the "solvency valuation", which measures whether the plan would

have an ability to meet its obligations (liabilities) to its members if the plan were to be terminated and wound up at the valuation date.

The last review date for the Combination Pension Plan was December 31, 2012. At that time, the solvency ratio (the percentage of solvency assets compared to solvency liabilities) was 233.4%.

2015 Plan amendments

On May 11, 2015, the British Columbia government released the new *Pension Benefits Standards Regulation* (PBSR), which details the implementation requirements under the new *Pension Benefits Standards Act* (PBSA). This was the first comprehensive review of the Act and regulations since the original Act and Regulations came into force in 1993 and is therefore quite substantive. Plan administrators were given until December 31, 2015 to amend Plan texts so that they comply with the requirements of the new PBSA and PBSR, but the Plan must be (and has been) administered in accordance with the new legislation effective September 30, 2015.

Various other 'housekeeping' revisions that provide clarity were also incorporated into the amendment.

As required under Section 30 of the PBSR in regard to disclosure, following is a <u>summary only</u> of the amendments that affect the member's benefits and an explanation of how those amendments affect those benefits. A full version of the amended Plan document is available at <u>www.uvic.ca/financialplanning/pensions/combination</u>

Plan text Sections	New Provision	Effect on plan member's benefit
Eligibility for Member- ship	Section 3.08 revised to reflect new practice of allowing members of the Combination Plan whose appointment is reduced in the same position to stay in the Combination Plan.	Combination Plan Members who reduce their appointment will no longer move to the Money Purchase Plan, unless they also change their position.
Jp	Section 3.05 added to explicitly state that a reemployed pensioner is not eligible to recontribute.	No change from previous rules
Retirement Benefits	Section 8.03 revised (options at retirement for voluntary accounts) to reflect the Pension Board's decision to cease offering an internal variable annuity option for voluntary contributions. This section was also revised to clarify that the variable benefit option is only available if the member selects it with their combined contribution account or if at least twice the YMPE is applied to that option. Members may still purchase an annuity outside the Plan	In order to improve administrative efficiencies, a change in pension options for voluntary funds was implemented. These changes do not affect members' regular pension options.
Death Benefits	ity outside the Plan. Under PBSA Sec 79, the surviving spouse of a Member who dies before commencing a benefit is entitled to 100% of the Member's entitlement. This change means that a surviving spouse is now eligible for a defined benefit supplement if the spouse chooses an internal variable annuity and the annuity is less than the defined benefit minimum. The defined benefit minimum for the spouse is the actuarial equivalent of the defined benefit minimum for the Member.	Change in options for the surviving spouse of a Member who dies before commencing a benefit.
Miscellane- ous	Section 14.04 was revised to include new unlocking provisions to comply with PBSA Sec 69 and as permitted under Sec 89(2)	Under specific circumstances members may now be able to remove locked in funds due to shortened life expectancy. The Pension Board now has discretion to pay out small benefits in a lump sum instead of as a pension. The small benefit threshold is no longer tied to the year the member terminated employment and therefore now increases over time.
Transfers (between UVic Plans)	Members who are at least age 55 may commence pension from one plan even if they are still actively participating in another UVic plan.	Previously, members who changed membership from one UVic pension plan to another were precluded from commencing a benefit until they terminated all UVic employment that provided pension coverage.

General enquiries or requests for statements should be directed to Pension Services at (250) 721-7030, by email to pensions@uvic.ca, or to:

Mailing address	Physical address/courier
Pension Services University of Victoria PO Box 1700, Stn CSC Victoria BC V8W 2Y2	Pension Services University of Victoria ASB—Room B278 3800 Finnerty Rd Victoria BC V8P 5C2

Retiring members should contact Pension Services at least 3-6 months before their retirement date (last date on pay vs last day at work). Pension Services will send the member a statement of options and the forms required for the various options. **The forms must be received in Pension Services at least one full calendar month prior to the benefit payment date**.

Pensions are paid on the first of each month. Lump sum payments and transfers are processed at the end of each calendar month; the payment or transfer value is the market value at the end of the previous month, plus interest for the final month.

APPENDIX A: Annuity Rates and Actuarial Reduction factors

The table below shows the rates that will be used in 2016 to convert a member's Combined Contribution Account balance into a single life 3.5% internal variable annuity, and the actuarial reduction factors that are applied to the defined benefit minimum if the pension starts before normal retirement age (age 65). A single life annuity ceases on the death of the annuitant. Survivor benefits are available by selecting an optional form (joint life and guaranteed terms), but the amount payable is reduced. The optional form is selected at the time the annuity commences and, like the annuity, is irrevocable. The optional forms available from the Plan are described in the section Understanding the Plan, Survivor benefits.

Table of Rates for Annual Single Life 3.5% Annuity
Commencing in 2016 Provided by \$1000 of Combined Contribution Account
and Actuarial Reduction Factors for Defined Benefit Minimum*

Age in Years Upon Commencement of the Annuity	Annual Annuity Rate per \$1,000	Actuarial Reduction Factor for Defined Benefit Minimum
55	51.59	0.56885
56	52.44	0.59889
57	53.34	0.63109
58	54.29	0.66568
59	55.30	0.70289
60	56.37	0.74299
61	57.52	0.78632
62	58.75	0.83323
63	60.07	0.88415
64	61.48	0.93955
65	63.00	n/a
66	64.63	n/a
67	66.39	n/a
68	68.29	n/a
69	70.35	n/a
70	72.59	n/a
71	75.02	n/a

^{*}The defined benefit minimum is determined by multiplying the results of the formula described on page 13 by the actuarial reduction factor, if applicable. A factor of 0.83298 is effectively a reduction of 16.702% (1-0.83298).

Example of annuity calculation for a \$300,000 final account balance at age 62: $$300,000 \div 1,000 \times 58.75 = $17,625$ per year $\div 12 = $1,469$ per month

Example of the actuarial reduction applied to a defined benefit minimum at age 62, based on a defined benefit minimum of \$40,000 per year at normal retirement (age 65): $$40,000 \times 0.83323 = $33,329 \text{ per year} \div 12 = $2,777 \text{ per month}$

APPENDIX B: Portfolio holdings at 31 December 2015, Balanced Fund

Short-term investments (0.16% of total)		
	Par Value or Units	Market Value
Canada Treasury Bills	\$1,420,000	\$1,418,729
Pooled Funds bcIMC Canadian Money Market Fund ST2 Phillips, Hager & North Institutional STIF	25.12290 2,436.148	100,150 24,361
		\$1,543,240

Canadian bonds (29.48% of total)				
	Interest Rate (%)	Maturity Date	Par Value or Units	Market Value
Federal (government and government guaranteed) Canada Housing Trust NHA MBS #96505011 by Peoples Trust Co NHA MBS #96503636 by Equitable Trust Co	0.750 2.250 3.500 5.000 1.250 1.500 3.350 1.250 4.200 4.350	2020 2025 2045 2037 2047 2044 2020 2020 2020 2020 2019 2018	\$14,080,000 5,556,000 5,446,000 373,000 1,055,000 337,000 1,219,000 2,539,000 4,985,000 185,000 620,000	\$14,094,122 5,973,372 7,063,261 556,463 1,273,445 453,332 1,340,191 2,535,852 4,980,703 176,435 547,425
Provincial (government and government guaranteed) Alberta Alberta Alberta British Columbia British Columbia British Columbia British Columbia Manitoba Manitoba New Brunswick Sinking Fund Debenture New Brunswick Ontario	2.350 3.500 3.450 3.900 6.350 4.950 2.800 4.050 2.850 3.550 3.800 4.800 4.800 4.000 3.150 8.500 7.500 2.900 3.500 4.700 5.600 5.850 6.200 6.500 7.600 8.100 8.100 8.500 9.375	2025 2031 2043 2033 2031 2040 2048 2045 2046 2023 2045 2039 2041 2022 2025 2024 2046 2043 2024 2024 2037 2035 2031 2029 2027 2026 2023 2025 2026 2041 2025 2026 2041 2025 2026 2041 2025 2026 2023 2041 2029 2026 2043 2043 2026 2023 2043 2025 2026 2023 2026 2023 2026 2023 2026 2023 2026 2023 2026 2023 2026 2023 2026 2023 2026 2027 2027 2028 2028 2029 2029 2020 2021 2022 2023 2024 2023 2024 2024 2025 2026 2027 2028 2029 2029 2029 2020 2020 2021 2022 2023 2024 2024 2025 2026 2027 2028 2029 2029 2029 2029 2029 2029 2029	\$3,237,000 300,000 811,000 563,000 767,000 241,000 1,084,000 254,000 1,104,000 384,000 357,000 1,160,000 218,000 2,18,000 2,578,000 2,578,000 2,578,000 2,578,000 2,578,000 2,578,000 1,682,000 4,997,000 3,303,000 661,000 2,005,000 1,682,000 4,964,000 7,985,000 1,682,000 4,964,000 7,985,000 1,682,000 4,964,000 7,985,000 1,682,000 4,964,000 7,985,000 1,682,000 4,964,000 7,985,000 1,682,000 4,964,000 3,355,000 2,464,000 380,000 453,000 2,38,000 2,38,000 3,552,000 1,516,000	\$3,230,361 317,786 836,611 621,634 1,103,757 316,649 1,019,406 286,352 995,740 402,375 362,026 1,231,926 265,094 467,115 1,299,073 6,280,431 3,948,578 375,615 12,520,774 5,248,594 3,638,003 816,510 2,725,775 2,311,857 6,964,591 11,223,677 174,620 6,189,890 1,246,980 3,740,219 157,611 467,995 262,371 153,850 9,710 2,767,478 5,465,416 2,249,621

APPENDIX B: Portfolio holdings at 31 December 2015, Balanced Fund

Canadian bonds ~ continued				
	Interest Rate (%)	Maturity Date	Par Value or Units	Market Value
Provincial (government and government guaranteed—continued) Saskatchewan Saskatchewan Saskatchewan Saskatchewan Saskatchewan	6.400 3.900 5.750 2.750	2031 2045 2029 2046	\$153,000 464,000 96,000 775,000	\$217,616 518,785 126,752 697,374
Municipal (Government & Government Guaranteed) Municipal Finance Authority BC South Coast BC Transportation	3.350 3.800	2022 2020	\$139,000 705,000	\$150,515 775,377
Corporate CBC Monetization Trust CDP Financial Inc Hospital for Sick Children	4.688 4.600 5.217	2027 2020 2049	\$131,097 138,000 330,000	\$154,619 156,730 413,664
Pooled Funds Phillips, Hager & North High Yield Bond Fund Phillips, Hager & North Investment Grade Corp Bond Trust RBC High Yield Bond Fund Sr O			\$ 317,748.038 12,838,354.418 147,565.785	\$ 3,326,345 127,369,314 1,482,933
				\$277,420,750

Mortgages (2.38% of total)	
Units	Market Value

2,085,977.934

\$22,401,108

Canadian equities (19.68% of total)		
	Shares	Market Value
Consumer Discretionary Gildan Activewear Inc Cineplex Inc Dollarama Magna International Inc	91,746 31,460 28,154 36,637	\$3,609,288 1,495,923 2,250,631 2,056,068
Consumer Staples Alimentation Couche-Tard Inc Class B Sub-Vtg	70,621	\$4,301,525
Energy Arc Resources Ltd CDN Natural Resources Ltd CDN Energy Services & Technology Keyera Corp Paramount Resources Ltd Suncor Energy Inc New Tourmaline Oil Corp Vermilion Energy Inc	57,852 76,476 172,799 63,927 47,007 71,559 49,738 33,085	\$ 966,128 2,311,105 670,460 2,573,701 287,683 2,556,087 1,111,644 1,244,327
Financials Bank of Nova Scotia (The) Brookfield Asset Management Inc Class A Ltd Vtg Brookfield Property Partners LP Colliers Intl Group Inc Subordiate Voting Com Element Financial Corp Manulife Financial Corp Onex Corp Sub-Vtg Royal Bank of Canada Toronto-Dominion Bank (The)	55,450 91,717 65,006 20,175 147,746 218,101 19,432 85,817 139,213	\$3,103,537 4,003,447 2,094,493 1,245,403 2,467,358 4,523,415 1,648,222 6,363,331 7,550,913

Phillips, Hager & North Mortgage Pension Trust

APPENDIX B: Portfolio holdings at 31 December 2015, Balanced Fund

Canadian equities ~ continued		
	Shares	Market Value
Health Care Concordia Healthcare Corp Common	30,336	\$1,715,197
Industrials Transforce Inc Brookfield Infrastructure Limited Partners Canadian National Railway Co Canadian Pacific Railway Limited Common	41,522 26,389 45,939 11,686	\$ 980,334 1,384,563 3,553,382 2,065,267
Materials Franco Nevada Corp Agnico-Eagle Mines Ltd. Com Agrium Inc Methanex Corp West Fraser Timber Co Ltd	28,266 28,727 12,957 19,172 36,585	\$1,789,238 1,044,801 1,602,392 876,160 1,921,810
Information Technology CGI Group Inc Open Text Corp Com	41,995 26,586	\$2,326,523 1,763,715
Telecommunication Services Telus Corporation	62,019	\$2,372,847
Pooled Funds bcIMC Active Canadian Equity Fund Fiera Capital Small Cap Fund	9,727.182206 47,901.755	\$93,072,461 10,291,764
		\$185,195,145

Foreign equities (38.62% of total)		
	Units	Market Value
Pooled Funds bcIMC Indexed US Equity Fund bcIMC Active Emerging Markets Equity Fund bcIMC Active Global Equity Fund bcIMC Indexed Global Equity Fund	5,441.767536 1,299.952625 115,006.773903 31,668.611873	\$ 48,104,371 1,698,578 245,425,721 68,241,140 \$363,469,809

Real estate (9.67% of total)		
	Shares	Market Value
bcIMC Realpool Investment Fund	10,397.926970	\$91,041,472

Total Balanced Fund investment portfolio at market value Portion held by the University of Victoria Money Purchase Pension Plan (5.61%)	\$941,071,524 \$ 52,749,685
	Ψ 32,7 43,003

APPENDIX C: Portfolio holdings at 31 December 2015, Defined Retirement Benefit Fund

Short-term investments (0.63% of total)		
	Units	Market Value
bcIMC Canadian Money Market Fund ST2 Phillips, Hager & North Institutional STIF	5.222 92,639.674	\$ 20,815 926,397
		\$947,212

Canadian bonds (18.93% of total)		
	Units	Market Value
Phillips, Hager & North Enhanced Total Return Bond Fund	2,838,799.429	\$28,459,332

Canadian equities (23.12% of total)		
	Shares	Market Value
Consumer Discretionary Dollarama Inc Gildan Activewear Inc Magna International Inc Restaurant Brands Ltd Shaw Communications Inc Class B Non-Vtg ThomsonReuters Corp	4,700 5,550 7,650 4,304 4,800 8,750	\$375,718 218,337 429,318 222,732 114,240 458,588
Consumer Staples Alimentation Couche-Tard Inc Class B Sub-Vtg Empire Company Ltd Class A Non -Vtg LoblawCompanies Ltd Saputo Inc	13,650 7,600 2,800 4,400	\$831,422 195,624 182,952 145,640
Energy Arc Resources Ltd Baytex Energy Corp Common Cameco Corp Canadian Natural Resources Ltd Cdn Utils Ltd N/V CL Cenovus Energy Inc Crescent Point Energy Corp Enbridge Inc Enbridge Inc Enbridge Income Fund Hldgs Inc Encana Corp Meg Energy Corp Pembina Pipeline Corp PrairieSky Royalty Ltd Precision Drilling corp Seven Generations Energy Ltd Suncor Energy Inc Tourmaline Oil Corp Transalta Corporation TransCanada Corp	34,300 22,800 13,150 26,100 6,450 21,532 10,800 26,600 2,800 37,282 35,450 17,600 28,700 26,000 19,350 16,820 7,050 17,550 11,550	\$ 572,810 102,144 224,471 788,742 206,013 376,810 174,096 1,223,600 78,484 262,092 284,309 530,640 629,104 142,220 260,838 600,810 157,568 86,171 521,945
Financials Bank of Montreal Bank of Nova Scotia (The) Brookfield Asset Management Inc Class A Ltd Vtg Brookfield Property Partners LP Canadian Imperial Bank of Commerce CI Financial Inc Element Financial Corp Industrial Alliance Insurance Intact Financial Corp Manulife FinancialCorp National Bk Cda Royal Bank of Canada Sun Life Financial Inc Toronto-Dominion Bank (The)	12,150 33,850 24,600 5,300 3,050 6,000 5,200 8,450 1,400 71,450 7,000 35,650 6,500 51,100	\$ 948,672 1,894,585 1,073,790 170,766 278,130 183,600 86,840 372,899 124,152 1,481,873 282,170 2,643,448 280,475 2,771,664

APPENDIX C: Portfolio holdings at 31 December 2015, Defined Retirement Benefit Fund

Canadian equities continued		
	Shares or Units	Market Value
Health Care Valeant Pharmaceuticals International Inc	5,750	\$808,220
Industrials Canadian National Railway Co Canadian Pacific Railway Ltd Finning International Inc SNC-Lavalin Group Inc	15,950 1,400 18,450 3,100	\$1,233,733 247,422 344,646 127,472
Information Technology CGI Group Class A Sub-Vtg Open Text Corp	7,850 3,700	\$434,890 245,458
Materials Agrium Inc First Quantum Minerals Ltd Potash Corp of Saskatchewan Inc Turquoise Hill Resources Ltd	3,200 23,350 15,750 14,980	\$395,744 120,953 373,275 52,580
Telecommunication Services Rogers Communications Inc Class BNon-Vtg Telus Corp Non-Vtg	10,550 15,550	\$503,446 594,943
Pooled Funds Phillips, Hager & North Institutional Gold & Precious Metals Fund Phillips, Hager & North Small Float Fund	411,695 193,067	\$1,552,172 4,739,268 \$34,764,719

Foreign equities (49.67% of total)		
	Units	Market Value
bcIMC Indexed US S&P 500 Equity Fund bcIMC Active Emerging Markets EquityFund bcIMC Active Global EquityFund bcIMC Indexed Global EquityFund	1,096 263 23,191 7,047	\$9,684,656 343,348 49,490,155 15,184,606
		\$74,702,765

Real estate (7.65% of total)		
	Units	Market Value
bcIMC Realpool Investment Fund	1,313	\$11,496,156

Total Defined Retirement Benefit Fund investment portfolio at market value	
·	\$150,370,184

APPENDIX D: History of the Plan

Pension plans are of two major types: defined benefit and defined contribution. Under the typical defined benefit plan, a member's pension is determined by a formula based on years of service, salary and age at retirement. Pension payments to the member during his or her retirement remain constant, except for any cost-of-living adjustments. In a defined contribution plan, the contributions of the member and his or her employer, together with net investment earnings or losses, accumulate throughout the member's career. At retirement, the accumulated sum is used to purchase a pension. In a defined contribution plan, net investment returns are obviously of great importance to the member, particularly if the pension is paid in the form of a variable annuity adjusted each year during his or her retirement according to the Plan's performance.

Original Plan provides greater of defined contribution or defined benefit. When the pension plan was established in 1968 to replace the earlier TIAA-CREF money purchase contracts, it retained the defined contribution features for payments at death, before retirement, or on termination of employment, but pensions were to be calculated under a defined benefit formula based on years of service and final average salary to compensate the long-service employees of that time for the inadequacy of earlier University of Victoria pension plans. In 1972, in order to qualify for registration under the Income Tax Act and still retain the advantages of the defined contribution features for members who leave the University before retirement, the Plan was amended so that pensions would also be determined on a defined contribution basis. It was possible to retain the defined benefit as a minimum benefit, but the Plan became in essence and intent a defined contribution plan with the expectation that the majority of members would receive a variable annuity that would exceed the defined benefit.

Amendments in 1980s allow members to choose between defined contribution and defined benefit. In 1983 the Plan was amended to permit members, who are eligible to receive a defined contribution pension, to purchase an annuity from a life insurance company. A further amendment in 1985 permitted the selection at retirement of a defined contribution pension even when the initial amount was smaller than the defined benefit.

Income Tax Reform in 1990. In 1991 the Plan was segregated into a Money Purchase Pension Plan and a Combination Pension Plan. The Money Purchase Pension Plan is a defined contribution pension plan for members of the faculty and administrative and academic professional staff holding term appointments or regular (continuing) appointments of 50% or more of full time but less than full time and for assistant teaching professors and sessional lecturers. The Combination Pension Plan is for full time continuing members of the faculty and administrative and academic professional staff.

Also in 1991, contributions to member accounts became limited to the defined contribution maximum permitted under the *Income Tax Act*, initially \$12,500. In 1994, in response to these limits, the Supplemental Benefit Arrangement (SBA) was created. The SBA is a complement to the Combination Pension Plan. It pro-

vides money purchase benefits and, since 2000, defined benefits that can not be provided under the registered pension plan.

Introduction of pension standards in 1993. On 1 January 1993, minimum pension standards legislation became effective in BC. The most significant impact this had on members of the Combination Pension Plan is that contributions made on or after 1 January 1993 must be locked-in to provide a lifetime retirement income. Contributions made prior to 1993 were restricted under the plan document. The restrictions did not amount to full lock-in under pension standards and were removed effective 1 June 2006.

Member contribution rates. Members of the Combination Pension Plan contribute an amount equal to:

- (a) 3% of basic salary up to the contributory earnings upper limit for the Canada Pension Plan (the "Year's Maximum Pensionable Earnings" YMPE), plus
- (b) 5% on the salary in excess of that limit, plus
- (c) one-third of the amount by which, if any, the University's defined benefit contribution exceeds 1% (1.35% effective 1 May 2011).

Employee contributions are directed to individual Combined Contribution Accounts (CCAs). The CCA balances provide the main part of a member's final pension entitlement in the same way as a defined contribution account.

University contribution rates. Up to 31 December 1990 the University contributed 10% of basic salary minus its Canada Pension Plan contribution. Of this amount, 12% of basic salary less the member's contribution, was directed to each individual's CCA, and the remaining employer contribution was directed into the Defined Retirement Benefit Account (DRBA).

In 1991, to comply with new Income Tax Act rules, the University contributions to individual members' CCAs were revised to equal:

- (a) 10.37% of basic salary up the YMPE, plus
- (b) 14% of basic salary in excess of the YMPE, less
- (c) the individual member's contribution, plus
- (d) up to an additional 1% if, on the advice of the actuary, the 1% is not required to fund the defined benefit minimum.

At the same time, University contributions to fund the defined benefit minimum were revised to equal:

- (a) 1% of salary, which at the discretion of the Pension Board acting on the advice of the actuary, could be directed in whole or in part to member's CCAs, plus
- (b) such additional contributions as are recommended by the plan actuary to maintain the Defined Retirement Benefit Account on a sound actuarial basis (4.05% of salary effective 1 May 2011).

From 1 January 1991 to 30 June 1993, and from 1 July 1998 to 31 December 2001, the 1% contribution was not required for the defined benefit minimum and, on the advice of the plan actuary, was redirected to members' CCAs. Since that time, plan actuaries have recommended that the 1% of salary be gradually

returned to its original purpose, namely to fund the defined benefit minimum (registered plan and/or the Supplemental Benefit Arrangement). Consequently, for 2002, the Pension Board changed the allocations to 0.8% to CCAs and 0.2% to the defined benefit minimum. For 2003 and 2004, the corresponding allocations were 0.7% and 0.3% and, effective 1 January 2005, the full 1% was allocated to accounts funding the defined benefit minimum. The 1% was increased to 5.05% effective 1 May 2011.

Immunization options. A Canadian Government Treasury Bill Fund was created in 1991 and a Short Term Bond and Mortgage Fund was added in 2003. These investment options were removed in 2010 due to lack of use and onerous regulatory requirements. A GIC option was similarly available from 1995 to 2002.

Variable Benefit. On 1 January 1997, the variable withdrawal plan was added as an option for retiring members. The variable withdrawal plan is essentially an income fund operated by the pension plan. It provides members with a regular but flexible retirement income. It was renamed the variable benefit in 2006.

On 1 January 2012, the 5% internal variable annuity ceased to be offered. The change did not affect pensioners already in receipt of the annuity.

APPENDIX E: Service providers

Service providers at the end of December 2015						
Investment Managers	 BC Investment Management Corporation (bcIMC) manages one-half the Canadian equity portion, and all the foreign equity and real estate portions of the Balanced Fund manages the foreign equity and real estate portions of the Defined Retirement Benefit Fund 					
	Fiera Capital Corporation • manages one-half the Canadian equity portion of the Balanced Fund					
	Phillips, Hager & North Investment Management Limited manages the fixed income portion of the Balanced Fund and the domestic portion of the Defined Retirement Benefit Fund					
Custodian	RBC Investor Services Trust custodian of plan assets, excluding bcIMC funds payment service for pensions and taxable lump sums					
Investment consultant	Towers Watson					
Performance measurement	RBC Investor Services Limited					
Actuary	Mercer (Canada) Limited					
Auditor	Grant Thornton LLP					



Financial Statements

University of Victoria Combination Pension Plan

December 31, 2015

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Independent Auditor's Report

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To the Trustees of University of Victoria Combination Pension Plan

We have audited the accompanying financial statements of the University of Victoria Combination Pension Plan, which comprise the statement of financial position as at December 31, 2015, and the statement of changes in net assets available for benefits and the statement of changes in obligations for benefits for the year then ended, and a summary of significant accounting policies and other explanatory information.

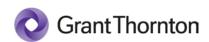
Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for pension plans, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the University of Victoria Combination Pension Plan as at December 31, 2015 and its financial performance for the year then ended in accordance with Canadian accounting standards for pension plans.

Victoria, Canada March 8, 2016

Chartered Professional Accountants

Grant Thornton LLP

University of Victoria Combination Pension Plan Statement of Financial Position

December 31 (expressed in \$000's)		2015		2014
Assets Cash	\$	2,188	\$	1,943
Casii	Ψ.	2,100	Φ	1,943
Investments (Note 4)				
Short-term		2,404		10,103
Canadian bonds		290,330		261,298
Mortgages		21,145		20,006
Canadian equities		209,579		213,721
Foreign equities Currency hedges		417,799		346,638 686
Real estate		97,435		105,252
	-			·
Receivables	-	1,038,692		957,704
Accrued interest and dividend income		951		897
Transactions to be settled and other		5,385		221
	_	6,336		1,118
		1,047,216		960,765
Liabilities				
Accounts payable and accrued liabilities		269		686
Currency hedges	-	159		-
	-	428		686
Net assets available for benefits (Note 7)				
Available for defined contribution benefits		895,756		828,968
Available for defined benefit pensions and supplements	_	151,032		131,111
	_			
Obligations for benefits		1,046,788		960,079
Defined contribution benefits		895,756		828,968
Accrued defined benefit pensions				,
and supplements (Note 6)	-	67,936		45,357
Net assets available for benefits				
less obligations for benefits	\$	83,096	\$	85,754
	-			

Approved by the Board of Pension Trustees

See accompanying notes to the financial statements.

University of Victoria Combination Pension Plan Statement of Changes in Net Assets Available for Benefits

Year Ended December 31 (expressed in \$000's)		2015	2014
Change in net assets			
Net return on investments (Note 5) Interest income Mortgage income Dividend income Net realized and unrealized gain on investments Investment administration costs	\$	9,990 708 2,921 74,710 (2,865)	\$ 10,271 677 2,834 92,200 (2,392)
Contributions (Note 1) Members' required Members' additional voluntary University's required Combined contribution accounts Defined retirement benefit account Transfers from other plans	-	8,516 194 10,359 7,957 3,027	8,519 168 10,325 7,917 2,235 29,164
Payments to or on behalf of members Pensions to retired members or beneficiaries Members' accounts transferred and refunded, and death benefits	-	(24,176) (3,996) (28,172)	(21,585) (10,796) (32,381)
Operating expenses Office and administrative costs Actuarial fees Audit, registration and legal fees	_	(418) (146) (72) (636)	(405) (82) (39) (526)
Increase in net assets	_	86,709	99,847
Net assets available for benefits, beginning of year	_	960,079	860,232
Net assets available for benefits, end of year	\$_	1,046,788	\$ 960,079

See accompanying notes to the financial statements.

University of Victoria Combination Pension Plan Statement of Changes in Obligations for Benefits

Year Ended December 31 (expressed in \$000's)		2015		2014	
Change in obligations for benefits - defined contribution					
Beginning balance, obligations for defined contribution benefits	\$_	828,968	\$	751,263	
Net investment returns Contributions Benefits paid Accounts transferred or refunded	-	72,295 22,096 (23,631) (3,972)		88,599 21,247 (21,052) (11,089)	
Change in obligations for benefits	_	66,788		77,705	
Ending balance	\$	895,756	\$	828,968	
Change in obligations for benefits - defined benefit					
Beginning balance, obligations for accrued defined benefit pensions and supplements	\$_	45,357	\$	42,308	
Actual plan experience and changes in actuarial assumptions Interest accrued on benefits Experience gains Benefits accrued Benefits paid	-	19,403 3,265 (2,651) 3,107 (545)		3,068 3,053 (5,688) 3,149 (533)	
Change in obligations for benefits	-	22,579		3,049	
Ending balance	\$	67,936	\$	45,357	

See accompanying notes to the financial statements.

December 31, 2015 (expressed in \$000's)

1. Description of plan

The following description of the University of Victoria Combination Pension Plan is a summary only. Plan assets are distributed over two funds: the Balanced Fund and the Defined Retirement Benefit Fund. Individual member accounts (Combined Contribution Accounts, Variable Benefit Accounts, and Additional Voluntary Contribution Accounts of active and inactive members) are held in the Balanced Fund. The Defined Retirement Benefit Fund holds the assets of the Defined Retirement Benefit Account from which defined benefit pensions and supplements are paid. For more complete information, reference should be made to the Trust Agreement.

(a) General

The Plan is a defined contribution pension plan which contains, subject to eligibility and member choice, a defined benefit supplement to bring a retirement pension up to a minimum calculated under a defined benefit formula. The Plan covers all full-time faculty and administrative and academic professional staff holding regular appointments.

(b) Funding policy

In accordance with the Trust Agreement and the recommendation of the plan actuary, members are required to contribute 4.35% of their basic salary up to the Canada Pension Plan Year's Maximum Pensionable Earnings (YMPE) (\$53,600 in 2015), and 6.35% of the basic salary in excess of that amount. The contributions are directed to the members' combined contribution accounts (defined contribution).

The University contributes 6.02% of basic salary up to the Canada Pension Plan YMPE, and 7.65% of the basic salary in excess of that amount. The contributions are directed to the members' combined contribution accounts. The University contributes an additional 5.05% of basic salary to fund the defined benefit minimum. These defined benefit contributions are directed to the Defined Retirement Benefit Fund. In the event that the actuary recommends additional contributions to fund the defined benefit minimum, the plan document provides for one-third and two-thirds sharing between members and the University.

The total combined member and University contributions to a member's combined contribution account in a calendar year are limited to the Income Tax Act (Canada) maximum (\$25,370 in 2015).

Subject to Income Tax Act (Canada) maximums, members may elect to make additional contributions to a voluntary contribution account through payroll deduction or by transfer from other registered vehicles.

(c) Investment options

Members' combined contribution accounts and additional voluntary accounts are invested in a balanced fund.

December 31, 2015 (expressed in \$000's)

1. **Description of plan** (continued)

(d) Retirement

All members are eligible for a retirement benefit. Normal retirement is the end of the month in which the member attains age 65. Members may elect early retirement any time after attaining the age of 55, or postpone retirement benefits until December 1st of the calendar year in which the member attains age 71.

(e) Retirement options

At retirement, members can apply the balance in their combined contribution accounts to one or a combination of the following forms of benefits:

- Internal variable annuity with, subject to eligibility, a defined benefit supplement. The defined benefit supplement is the amount, if any, by which the defined benefit minimum exceeds the internal variable annuity. The defined benefit minimum at normal retirement is 1.3% of the member's final average earnings up to the three year average YMPE, multiplied by years of service; plus 2% of the member's final average earnings that are in excess of the three year average YMPE, multiplied by years of service. The final average earnings are calculated as the member's average for the highest consecutive five years. The defined benefit minimum is limited to \$2,890 per year of service credited after 1990 and is actuarially reduced for early retirement.
- External annuity from a life insurance company.
- Variable benefit.
- Transfer to (locked-in) registered retirement savings plans.
- Transfer to a combination of registered retirement income funds and life income funds.

(f) Termination and portability benefits

Upon termination of employment, members may retain the balance in their combined contribution account or transfer it to (locked-in) registered retirement savings plans or to another registered pension plan that will accept the transfer.

Members may transfer pension entitlements from other registered pension plans to a voluntary account in the University of Victoria Combination Pension Plan.

(g) Survivor benefits

A spouse is automatically entitled to the survivor benefit unless they waive that right by completing a Spousal Waiver (Pension Benefits Standards Regulation (BC) Form 4). The survivor benefit for a spouse is 100% of the benefit accrued by the Member. The surviving spouse is entitled to any of the options that are available to the Member, with the exception that the spouse need not have attained 55 years of age to commence a monthly benefit and the spouse's defined benefit minimum is the actuarial equivalent of the Member's defined benefit minimum. A surviving spouse must commence a pension benefit or elect a transfer from the plan by the later of one year following the Member's date of death or the end of the calendar year in which the spouse attains 71 years of age.

December 31, 2015 (expressed in \$000's)

1. **Description of plan** (continued)

(g) Survivor benefits (continued)

The survivor benefit for a beneficiary who is not a spouse is the balance accumulated in the Combined Contribution Account (CCA) and, if applicable, Voluntary Contribution Account(s), payable in a cash lump sum, less applicable withholding tax. The survivor benefit for a pensioner on the variable benefit is the total in the member's variable benefit account.

The survivor benefit for a pensioner in receipt of an annuity from the plan is determined by the optional form selected by the member immediately prior to commencement of the annuity. The optional forms available for internal annuities are as follows:

- Joint and last survivor where 66.7%, 75% or 100% of the benefit will continue to the spouse, if pre-deceased by the member.
- Joint and last survivor where 66.7% of the benefit will continue after the first death of either the spouse or the member.
- Joint and last survivor where payments will continue in full for the lifetime of the member or spouse, whoever lives longer, and with a guaranteed minimum of 10 or 15 years.
- Single life where payments continue for the member's lifetime with a guaranteed minimum of 0, 5, 10 or 15 years.

If the member has a spouse, the member must select a form which provides at least a lifetime 60% survivor benefit unless the spouse completes a waiver.

(h) Adjustments to pensions

Internal variable annuities are adjusted each July 1st based on the investment performance of the underlying net assets for the preceding calendar year. In accordance with the plan these annuities are also subject to adjustment arising from the longevity experience of the annuitant group. The adjustments to the 3.5% and 5% internal variable annuities on July 1, 2015 were increases of 8.1% (2014: 6.1% increase) and 6.6% (2014: 4.5% increase), respectively.

Defined benefit pensions and the defined benefit minimum for eligible 3.5% annuitants, are adjusted each July 1st, by reference to the annual change in the Canadian Consumer Price Index (CPI) to a maximum of 3% per year since the commencement date of the pension. The maximum adjustment in any one year is also 3%. The increase in the CPI was 1.8% from 2014 to 2015 resulting in an adjustment to defined benefit pensions and minimum benefits on July 1, 2015 of 1.8% (2014: 1.1%).

(i) Income taxes

The Plan is a registered pension plan as defined in the Income Tax Act (Canada) and is not subject to income taxes.

December 31, 2015 (expressed in \$000's)

2. Statement of compliance with Canadian accounting standards for pension plans

These financial statements have been prepared in accordance with Canadian accounting standards for pension plans.

3. Summary of significant accounting policies

As indicated in Note 2, these financial statements have been prepared in accordance with Canadian accounting standards for pension plans. Accounting standards for pension plans require entities to select accounting policies for accounts that do not relate to its investment portfolio or pension obligations in accordance with either International Financial Reporting Standards ("IFRS") or Canadian Accounting Standards for Private Enterprises ("ASPE"). The Trustees selected IFRS for such accounts on a consistent basis and to the extent that these standards do not conflict with the requirements of the accounting standards for pension plans.

(a) Investments

Investments are stated at fair value. Fair value is determined using market values where available. Fair value for international investments, held by BC Investment Management Corporation are estimated based on preliminary market values supplied by the BC Investment Management Corporation, and any differences between the estimated values and final market values are adjusted in the subsequent period. Where listed market values are not available, estimated values are calculated by discounted cash flows or based on other approved external pricing sources. Price comparison reports are used to compare the prices of the bonds and publicly traded equities held in pooled funds against a secondary source. Mortgages are valued at the end of each month based on a discounted cash flow model. Real estate investments are valued quarterly by BC Investment Management Corporation's real estate investment managers and, at least once every ten to eighteen months, by accredited independent appraisers to establish current market values. At the end of each guarter BC Investment Management Corporation uses financial statements provided by the external managers and general partners or valuation reports to calculate the share values and the unit values for the externally managed holding corporations and limited partnerships. Investment sales and purchases are recorded on trade date.

(b) Investment income

Investment income is recorded on the accrual basis. Any adjustments to investments due to the fluctuation of market prices are reflected as part of the return on investments in the statement of changes in net assets available for benefits.

December 31, 2015 (expressed in \$000's)

3. Summary of significant accounting policies (continued)

(c) Use of estimates

The preparation of financial statements, in conformity with Canadian accounting standards for pension plans, requires management, within the assumption parameters regarding pension liabilities approved by the Plan's actuaries, to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in assets during the period. Actual results could differ from those estimates. Significant areas requiring the use of management estimates relate to the valuation of investments and the estimate of the actuarial position of the defined benefit minimum.

4. Investments (fair value)

Except for the assets of the Defined Retirement Benefit Account ("DRBA"), the assets of the Plan are pooled for investment purposes with the assets of the University of Victoria Money Purchase Pension Plan. At December 31, 2015, 94.39% (2014: 94.48%) of the assets held in the Balanced Fund were in respect of the University of Victoria Combination Pension Plan.

The Plan's investments are recorded at fair value or at amounts that approximate fair value. Fair value is the amount at which the investment could be exchanged in a current financial transaction between willing parties. The investments are categorized according to a hierarchy which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). The three levels of the fair value hierarchy are as follows:

Level 1 – Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 – Inputs that are not observable for the asset or liability.

December 31, 2015 (expressed in \$000's)

4. Investments (fair value) (continued)

The Plan's proportionate share of investments in each fund, categorized according to the fair value hierarchy, is as follows:

		2015				2014		
	_	Balanced Fund		DRBA		Total	_	Total
Short-term notes - Level 1	\$	118	\$	947	\$	1,065	\$	8,892
Short-term notes - Level 2		1,339		-		1,339		1,211
Canadian bonds - Level 1		124,770		28,459		153,229		140,432
Canadian bonds - Level 2		137,101		-		137,101		120,866
Mortgages - Level 1		21,145		-		21,145		20,006
Canadian equities - Level 1		86,959		34,765		121,724		123,215
Canadian equities - Level 2		87,855		-		87,855		90,506
Foreign equities - Level 2		343,096		74,703		417,799		346,638
Currency hedges - Level 2		-		-		-		686
Real estate - Level 3		85,939		11,496	_	97,435		105,252
	\$	888,322	\$	150,370	\$	1,038,692	\$	957,704
Fair value hierarchy								
Level 1	\$	232,992	\$	64,171	\$	297,163	\$	292,545
Level 2		569,391		74,703		644,094		559,907
Level 3	_	85,939		11,496	_	97,435	_	105,252
	\$	888,322	\$	150,370	\$	1,038,692	\$	957,704

The following table summarizes the changes in the fair value of the Plan's financial instruments classified as level 3 investments:

	_	Balanced Fund	-	DRBA	_	Total
Beginning balance, January 1, 2015 Sales Realized and unrealized gains	\$	92,844 (11,582) 4,677	\$	12,408 (1,548) 636	\$_	105,252 (13,130) 5,313
Ending balance, December 31, 2015	\$_	85,939	\$	11,496	\$_	97,435
Beginning balance, January 1, 2014 Purchases Sales Realized and unrealized gains	\$	86,616 - (576) 6,804	\$	10,759 800 (77) 926	\$	97,375 800 (653) 7,730
Ending balance, December 31, 2014	\$_	92,844	\$	12,408	\$_	105,252

December 31, 2015 (expressed in \$000's)

4. Investments (fair value) (continued)

Short-term notes consist of Canadian money market securities maturing in 12 months or less and include treasury bills and guaranteed investment certificates. Canadian bonds consist of government and corporate bonds and debentures. Mortgages consist of units in a pool of first mortgages on income-producing property in Canada. Equities consist of publicly traded shares. Real estate investments consist mainly of diversified Canadian income-producing properties. Investments may be segregated or consist of units of pooled investment portfolios of the investment managers.

Currency contracts are held individually by BC Investment Management Corporation. The contracts are used for defensive purposes in order to protect clients' foreign investments from the impact of an appreciating Canadian dollar (relative to the foreign currency). The manager purchases and sells currencies through the spot market, forward contracts, and/or futures. Unit values are calculated based on the net realized and unrealized gains/losses of the derivative financial instruments.

December 31, 2015 (expressed in \$000's)

5. Net return on investments

Net investment returns less operating expenses are distributed to members' combined contribution accounts, variable benefit accounts and additional voluntary contribution accounts at the end of each month.

The Balanced Fund earned a gross return of 9.10% (2014: 12.21%) and a net return of 8.75% (2014: 11.88%). The Defined Retirement Benefit Account incurred a net return of 9.45% (2014: 12.92%). Net investment returns by fund are as follows:

		2015		2014
	Balanced		_	
	Fund	DRBA	Total	Total
Interest				
Cash and				
short-term notes	\$ 111	·	* · · · · ·	
Bonds	8,949	908	9,857	10,052
Mortgages	708	-	708	677
Other	16	-	16	54
Dividends				
Canadian equities	1,908	1,013	2,921	2,834
Net realized gains	81,082	11,922	93,004	62,822
Net unrealized (losses)/gains	(17,594)	(700)	(18,294)	29,378
	75,180	13,149	88,329	105,982
Investment costs				
Management fees	2,331	377	2,708	2,244
Custodial fees	58	28	86	76
Other	71	-	71	72
		40-		
	2,460	405	2,865	2,392
Total net investment return	\$ 72,720	\$ 12,744	\$ 85,464 \$	103,590

December 31, 2015 (expressed in \$000's)

6. Obligations for pension benefits – defined benefit minimum

An actuarial valuation, in respect of the defined benefit minimum, is performed at least once every three years. The latest valuation was made as of December 31, 2012 by Mercer (Canada) Limited. The calculations to December 31, 2015 are based upon an extrapolation from the December 31, 2012 valuation. The next valuation will be performed and filed as at December 31, 2015.

The best estimate obligation was calculated using the December 2012 actuarial valuation data and extrapolating the obligation forward to December 31, 2015 based on the best estimate assumptions, except for an adjustment for the actual returns of the Combined Contribution Accounts (CCA) for the calendar years 2013, 2014, and 2015 which were 15.01%, 11.88%, and 8.75% respectively. Liabilities were calculated using the projected unit credit method, prorating on service. The extrapolation of the liabilities to December 31, 2015 is based on 2013, 2014, and 2015 benefit disbursement information. The extrapolation does not reflect any new entrants who may have joined the plan after December 31, 2012. No other experiences have been reflected in the extrapolation.

The obligations disclosed in these statements are measured based on service earned to the date of measurement only, as required under accounting standards, and differ from the obligations used to determine funding requirements which include a provision for future service benefits.

December 31, 2015 (expressed in \$000's)

6. Obligations for pension benefits – defined benefit minimum (continued)

The assumptions used in determining the actuarial present value of accrued pension benefits were developed by reference to expected long-term market conditions. Significant long-term actuarial economic and demographic assumptions used in the valuation were:

	December 31, 2015	December 31, 2014
Economic assumptions:		
Valuation discount rate	6.50% per annum	7.00% per annum
Assumed return on CCA	6.00% per annum	6.50% per annum
Salary scale – faculty members	4.25% per annum	4.25% per annum
Salary scale – administrative and academic professional staff members	5.06% for the first 8 years of service, 2.00% thereafter	5.06% for the first 8 years of service, 2.00% thereafter
Annual rate of inflation	2.00% per annum	2.00% per annum
YMPE increase, increase to ITA maximum pension and contribution limits	3.00% per annum	3.00% per annum
Demographic assumptions:		
Termination rates	Faculty members:	Faculty members:
	Termination rate starts at 6% per year, trending down from 6% per year at age 30 to 1.5% per year from age 40 until age 55.	Termination rate starts at 6% per year, trending down from 6% per year at age 30 to 1.5% per year from age 40 until age 55.
	Academic and Professional Staff members:	Academic and Professional Staff members:
	Termination rate starts at 10% per year, trending down from 10% per year at age 35 to 4.5% per year from age 40 until age 55.	Termination rate starts at 10% per year, trending down from 10% per year at age 35 to 4.5% per year from age 40 until age 55.
Mortality table	90% of the Public Sector Canadian Pensioners Mortality Table with improvement scale CPM-B	90% of the Public Sector Canadian Pensioners Mortality Table with improvement scale CPM-B

December 31, 2015 (expressed in \$000's)

7. Net assets available for benefits

The net assets available for benefits as at December 31 are allocated as follows:

	_	2015	 2014
Combined contribution accounts ("CCA")	\$	466,792	\$ 451,126
Variable benefit accounts ("VBA") Additional voluntary contribution accounts ("AVC")		342,181 14,984	309,190 13,881
Defined retirement benefit account ("DRBA") Internal variable annuity account ("IVAA")		151,032 71,799	131,110 54,772
	\$_	1,046,788	\$ 960,079

8. Combined contribution accounts ("CCA")

Each member of the plan has a CCA which is reported annually to the member. CCAs are invested in the Balanced Fund.

9. Variable benefit accounts ("VBA")

Each member of the plan in receipt of a variable benefit pension has a VBA. VBAs are invested in the Balanced Fund.

10. Additional voluntary contribution accounts ("AVC")

Additional voluntary contribution accounts are divided into restricted voluntary accounts ("RVA") and unrestricted voluntary accounts ("UVA"). Transfers from other pension plans that have restrictions imposed by the exporting plans are placed in RVA. Contributions made by members on a voluntary basis and transfers that are unrestricted are placed in UVA. All RVA and UVA are invested in the Balanced Fund as follows:

	 2015	 2014
Restricted voluntary accounts Unrestricted voluntary accounts	\$ 6,520 8,465	\$ 6,382 7,499
	\$ 14,985	\$ 13,881

December 31, 2015 (expressed in \$000's)

11. Defined retirement benefit account ("DRBA")

The DRBA is a reserve to fund existing defined benefit pensions and supplements and to offset future obligations for defined benefit supplements.

12. Internal variable annuity account ("IVAA")

The IVAA provides benefits to members who elected to take internal variable annuities with all or part of their CCA, VBA and AVC. The IVAA is invested in the Balanced Fund.

13. Risk management

The Plan's investments are recorded at fair value. Other financial instruments consist of cash, receivables, and accounts payable and accrued liabilities. The fair value of these financial instruments approximates their carrying values. Fair values of investments are exposed to market risk, liquidity risk and credit risk.

Market risk

Market risk is comprised of currency risk, interest rate risk, and other price risk.

<u>Currency risk</u>: Currency risk relates to the possibility that the investments will change in value due to future fluctuations in US, Euro and other international foreign exchange rates. For example, a 5% strengthening (weakening) of the Canadian dollar against foreign currencies at December 31, 2015 would have decreased (increased) investments held in foreign currencies by approximately \$20.9 million (2014: \$17.3 million).

Currency risk associated with foreign equities may be hedged at the discretion of the Global Equity Manager, BC Investment Management Corporation, in order to protect the value of foreign equity investments from the impact of an appreciating Canadian dollar (relative to the foreign currency).

The Fixed Income Manager may purchase US Treasury Bonds, provided the foreign currency exposure is hedged through the purchase of currency contracts.

Interest rate risk: Interest rate risk relates to the possibility that the investments will change in value due to future fluctuations in market interest rates. Duration is an appropriate measure of interest rate risk for fixed-income securities (bonds, mortgages and short-term notes) as a rise in interest rates will cause a decrease in the price of fixed income securities – the longer the duration, the greater the effect. At December 31, 2015, the average duration of the fixed income securities was 7.4 years (2014: 7.2 years). Therefore, if nominal interest rates were to increase by 1%, the value of the Balanced Fund fixed income securities would drop by 7.4% (2014: 7.2%).

December 31, 2015 (expressed in \$000's)

13. Risk management (continued)

Market risk (continued)

Other price risk: Other price risk relates to the possibility that the investments will change in value due to future fluctuations in market prices. This risk is reduced by the investment policy provisions approved by the Board of Pension Trustees for a structured asset mix to be followed by the investment managers, the requirement for diversification of investments within each asset class and credit quality constraints on fixed income instruments. Other price risk can be measured in terms of volatility, i.e., the standard deviation of change in the value of a financial instrument within a specific time horizon. Based on the volatility of the current asset class holdings shown in Note 4, the expectation is that over the long-term, the Balanced Fund will return around 6.1%, within a range of +/- 9.2% (i.e., results ranging from –3.1% to 15.3%) and the Defined Retirement Benefit Fund will return around 6.7%, within a range of +/- 11.9% (i.e., results ranging from –5.2% to 18.6%).

	Volatility %
Short-term holdings	+/- 1.5
Bonds and mortgages	+/- 5.4
Canadian equities	+/- 19.5
Foreign equities	+/- 17.1
Real estate	+/- 13.0

Benchmark for investments	% change	Net impact on market value		
		Balanced Fund	Defined Retirement Benefit Fund	
FTSE TMX Canada 91-day Treasury Bill Index	+/- 1.5	\$22	\$14	
FTSE TMX Canada Universe Bond Index	+/- 5.4	15,283	1,537	
S&P/TSX Capped Composite Index	+/- 19.5	34,089	6,779	
MSCI World Net Index	+/- 17.1	58,647	12,769	
Canadian Consumer Price Index (real estate)	+/- 13.0	11,172	1,495	

Other price risk is managed by diversification of the portfolio, both by investment managers (three) with differing investment styles and mandates and by allocation of equities across a range of sectors and companies.

Liquidity risk

Liquidity risk is the risk of being unable to generate sufficient cash or its equivalent in a timely and cost effective manner in order to meet commitments as they come due. The primary liabilities in the Plan are defined contribution entitlements (see CCA, VBA and AVC account balances in Note 7), internal variable annuities (see Note 7), future defined benefit obligations (see Note 6) and operating expenses. Liquidity requirements are managed through income generated by monthly contributions and investing in sufficiently liquid (eg. publicly traded) equities, pooled funds and other easily marketable instruments.

December 31, 2015 (expressed in \$000's)

13. Risk management (continued)

Credit risk

Credit risk relates to the possibility that a loss may occur from failure of a fixed income security issuer to meet its debt obligations. At December 31, 2015, the maximum risk exposure for this type of investment is \$284.5 million (2014: \$266.6 million) in the Balanced Fund and \$29.4 million (2014: \$24.6 million) in the Defined Retirement Benefit Fund.

The Plan limits credit risk by investing only in short term debt rated R1 or higher and other debt rated BBB or higher, as rated by the Dominion Bond Rating Service or equivalent. Debt rated below BBB is only permitted in the case of a high yield bond fund which has been specifically approved for investment by the Board of Pension Trustees.

The following shows the percentage of bond holdings in the portfolio by credit rating.

Rating	Balanced Fund	Defined Retirement Benefit Fund
AAA	25.4%	23.0%
AA	39.8%	40.8%
Α	15.3%	15.5%
BBB	18.0%	19.3%
BB and below	1.4%	1.4%
Unrated	0.1%	0.1%

14. Capital disclosures

The purpose of the Plan is to provide pension benefits to plan members. As such, when managing capital, the objective is to preserve assets in a manner that provides the Plan with the ability to continue as a going-concern, to have sufficient assets to meet future obligations for benefits and to have sufficient liquidity to meet all benefit and expense payments.

In accordance with regulatory requirements, the Board of Pension Trustees has established a Statement of Investment Policies and Procedures ("SIP&P") which sets out the investment principles, guidelines and monitoring procedures that are appropriate to the needs and objectives of the Plan. The SIP&P sets out benchmarks and asset allocation ranges that are intended to best secure the obligations for pension benefits and result in reasonable risk-adjusted return on investment. Individual investment decisions are delegated to investment managers subject to the constraints of the SIP&P and individual manager mandates. As required, the Board of Pension Trustees reviews the SIP&P and manager structure at least annually, and makes such changes to the SIP&P and/or mandates as it deems necessary. With the assistance of an outside consultant, the Board of Pension Trustees and the Pension Office regularly monitor the asset mix of each manager and fund to ensure compliance with the SIP&P and mandates.

December 31, 2015 (expressed in \$000's)

14. Capital disclosures (continued)

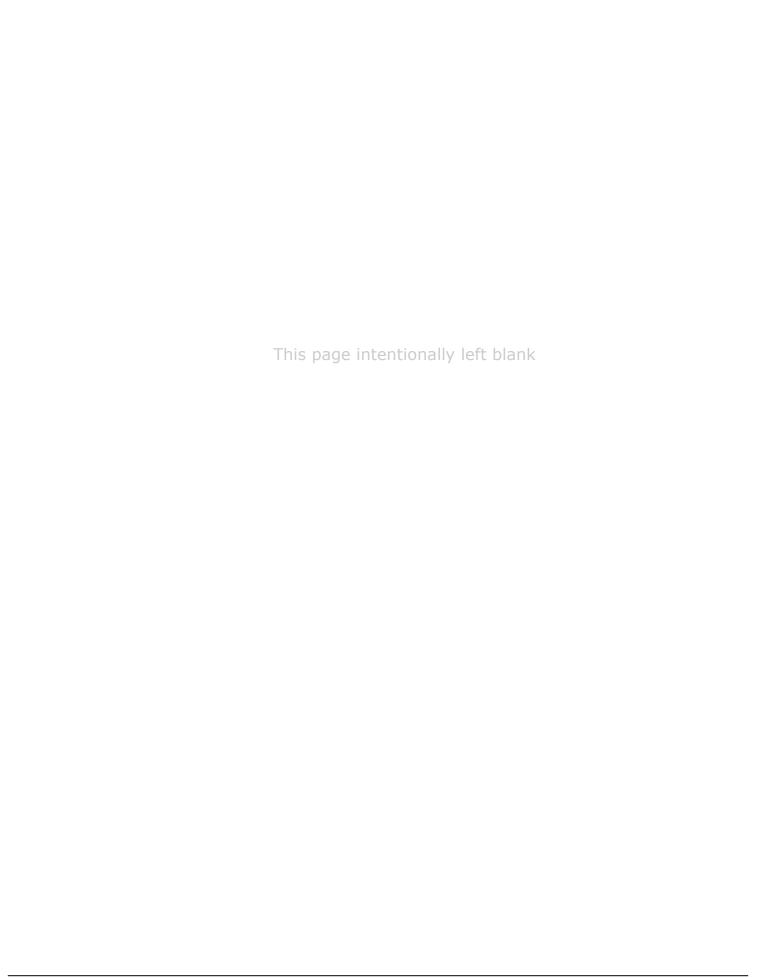
The benchmark and ranges for the funds are as follows:

	Balanced	Balanced Fund		A
	Benchmark	Range	Benchmark	Range
Cash and equivalents	0%	0-21%	0%	0-20%
Canadian bonds	36%	20-46%	20%	15-25%
Canadian equities	22%	14-27%	25%	15-35%
Foreign equities	32%	20-40%	45%	40-50%
Real estate	10%	5-15%	10%	5-15%

The Plan is also subject to the Pension Benefits Standards Act (BC) and Regulations, which require that solvency and going concern actuarial valuations are performed every three years, at which time the Plan must take measures to eliminate any funding deficiencies that may arise.

UNIVERSITY OF VICTORIA MONEY PURCHASE PENSION PLAN

ANNUAL REPORT 2015



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The information in this report is provided for the general information of members. The precise terms and conditions of the Plan are provided in the relevant plan documents. If there is a discrepancy between this report and the plan documents, the plan documents apply.

Letter from the Chair

During 2015, I am sure many of us complained loudly about the high cost of our American trips caused by the collapsing Canadian dollar. Promised upsides such as improvements in Canadian manufacturing industry have been slow to materialize. However, we can certainly celebrate the positive effect on the pension plan. In a year when the Canadian stock market declined 8.3%, the plan posted an amazing 8.71% net gain, almost entirely due to the declining dollar. Thus, the S&P 500, MSCI EAFE, and MSCI world indices were essentially flat in local currencies but up 19-21% in Canadian dollars. Even emerging markets, which had a dismal year, down 14.9% in local currencies, were up 2% in Canadian dollars.

Returns in the bond markets were modest but steady at 3.82% compared with benchmark returns of 3.52%. This may sound like a small gain by our active managers (PH&N), but even small out-performance is significant in the context of bond markets.

Information on the breakdown of our assets between managers and asset classes and the individual returns for those assets is included in the table on page 9 of this annual report. Early in 2014, the Trustees took the decision to decrease our exposure to Canadian equities (from a benchmark weight of 27 to 22%) whilst increasing the foreign equity benchmark from 27 to 32%. This move was similar to changes made by many Canadian pension funds and investment managers as concerns have deepened over the sector concentration (energy, materials and financials) and resulting high volatility of Canadian markets. Given the effect of currency on our overall returns, this proved to be a good decision for 2015, although there has been some early drift in the opposite direction in early 2016. As always, it is the long term which counts!

You will see from the tables elsewhere in this report (page 9), our gross returns for recent periods are: 2015 9.10%, last 4 years 11.66% and last 10 years 6.97%. The ten year number is lower because it includes the worldwide financial crisis of 2008. Corresponding net returns are 8.71%, 11.29% and 6.70%, illustrating once again our extremely low operating expenses. The largest part of this expense is investment management, at 0.28% with the pension office costing only 0.04%. As I noted in my last several letters: "world economies

have recovered from the 2008 meltdown, but generally rather slowly." This remains true and in consequence, economists remain pessimistic about the returns to be expected for a Plan such as ours. In this context we can be delighted and relieved with our 8.71% reported above. However, we must remain cautious, since market volatility remains and has increased with the fluctuating prices for the Canadian dollar, oil and other materials.

Turning to the administration of the Plan, it is somewhat remarkable that there have been only three pension managers over the 48 year history of the plans: Dennis Davis until 1980, John Levy until 1998, and Susan Service until three months ago. Regrettably, Susan Service decided to resign her position at the end of 2015 to return to her previous work with the public service pension plan. She thus narrowly missed deposing John Levy as the long service record holder in the Director of Pensions position. Susan's period of service corresponded very closely with my own tenure as a Trustee and in consequence I have had many opportunities over the years to value and appreciate her expertise, work-ethic and total commitment to the Pension Plan. We all owe her a huge vote of thanks and she will be sorely missed. The University administration and the Trustees are currently seeking candidates to replace Susan in this vital position. Another recent change in the Pension Office has been the addition of a new Pension Governance and Communications Officer who will work closely with the Pension Board and its Trustees. We welcomed Marie Lapointe to this position in February 2016.

The pension office and the Trustees encountered a very heavy workload in 2015 due to the implementation of the new Pension Benefits Standards Act (PBSA) developed jointly by the governments of Alberta and British Columbia. This Act is based on an advisory committee report filed in 2008 and passed the B.C. legislature on 31st May, 2012. The accompanying detailed regulations were released in the spring of 2015 with compliance deadlines for plan administration by 30th September and mandatory new policies by 31st December (since extended to 31st March 2016). More detail of the provisions of the new Act as they apply to this Plan are set out on Pages 14 and 15 of this report. Developing new policies will consume much Trustee time and effort over the next few years.

During this process the Trustees will continue to question our professional managers and consultants as to the most appropriate and sustainable investment choices. From recent conferences and publications it is clear that the financial management industry is moving towards accepting as best practice the incorporation of environmental, social, and governance (ESG) considerations into stock selection, and there is some initial evidence that companies which incorporate sustainability considerations into their business plans may perform better. We note that another of our managers, PH&N, has now joined bcIMC as signatories to the United Nations Principles of Responsible Investing. However, it remains the view of the managers, and the Trustees, that engaging with companies and urging sustainable approaches is a better option than divestment. It remains true that the Trustees have sole legal responsibility for setting investment policy and that a well-diversified portfolio minimizes investment risk. The new Act confirms that Trustees' fiduciary duty in B.C. must remain focused on the best financial interests of the members.

You will recall that our Board of Trustees is composed of four trustees elected by the membership and four appointed by the Board of Governors (BOG). Deborah George's term as an appointed trustee ended on 30th June 2015 and she decided to decline reappointment because of commitments to various Victoria charities. Her 13 years on the Board have been very valuable to us, especially her governance expertise on the Policy and Procedures committee and as Vice-Chair of the Board. I personally greatly appreciated her support and wise counsel in the latter position. We extend our thanks for her work and

our best wishes for her future endeavours. Deborah was replaced by John Gilfoyle, who recently retired from his role as a strategy and investment consultant to selected pension funds in Western Canada, after a long career in investment management and consulting. We welcome the opportunity to make use of his skills and extensive knowledge and experience in the pension industry.

Martha O'Brien has agreed to assume the role of Vice-Chair vacated by Deborah and I will greatly value her support and legal knowledge. Our committee Chairs are Kristi Simpson (Investment and Valuation committees), Martha O'Brien (Policy and Procedures), and myself (Governance and Communications).

Finally, I look forward to meeting many of you at our Annual General Meeting on April 19th. Best Wishes to all for 2016 and beyond,

Keith R. Dixon

Chair, Board of Pension Trustees

Governance

The Plan is governed by a Board of Trustees (the "Pension Board"). The Board of Trustees for the University of Victoria Combination Pension Plan also serves as the Pension Board for this Plan.

The Pension Board oversees investment of the pension fund, financial management of the Plan and ensures the Plan is administered in accordance with the trust agreement, the *Income Tax Act (Canada)* and *Pension Benefit Standards Act (BC)*.

As at 31 December 2015, the Trustees were:

Dr. Keith Dixon - CHAIR

Professor Emeritus, Department of Chemistry Appointed term

From 1 January 2015 to 31 December 2017

Professor Martha O'Brien—VICE CHAIR

Professor, Faculty of Law Elected term From 1 January 2015 to 31 December 2017

Mr. John Gilfoyle

Appointed term From 1 July 2015 to 30 June 2018

Ms. Lisa Hill

Appointed term From 1 September 2014 to 31 August 2017

Mr. Duc Le

Elected term

From 1 January 2014 to 31 December 2016

Dr. Michael Miller

Associate Vice-President, Research Elected term From 1 January 2014 to 31 December 2016

Mr. Joe Sass

Elected term

From 1 January 2015 to 31 December 2017

Ms. Kristi Simpson

Associate Vice-President, Financial Planning & Operations Appointed ex-officio

Annual General Meeting

4:30 p.m. Tuesday, 19 April 2016 Room A104 Bob Wright Centre

This is an informal meeting at which the Pension Board reports to the membership, and answers questions. This year's meeting will include a brief presentation. The Pension Board hopes members will be able to attend.

Investments and Returns (expressed in \$000's)	2013		201	4	2015	
Market value of investments Balanced Fund	\$41,938		\$48,261		\$52,750	
Balanced Fund Gross returns Expenses Net returns distributed to accounts	\$5,492 (112) 5,380	% 15.31 (0.31) 15.00	\$5,186 (146) 5,040	% 12.21 (0.34) 11.87	\$4,434 (190) 4,244	% 9.10 (0.39) 8.71

Benefit Payments (expressed in \$000's)	2013	2014	2015		
Lump sum payments and transfers	\$1,426	\$1,553	\$2,310		
Variable benefit pensions	181	263	315		
The variable benefit was added in 2006, subject to a minimum account size.					

Contributions (expressed in \$000's)	2013	2014	2015
Members' required University required Members' voluntary Transfers from other plans	\$ 809	\$ 852	\$ 868
	1,868	1,981	2,020
	29	49	51
	79	259	211

Full audited financial statements are available online at: www.uvic.ca/financialplanning/pensions/moneypurchase. A print copy may also be requested from Pension Services at (250) 721-7030 or by email at pensions@uvic.ca with the subject line "Money Purchase Plan Financial Statements Print Copy".

Objectives

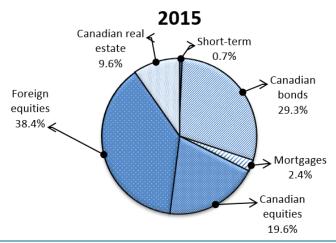
Plan assets (Money Purchase Contribution Accounts, Variable Benefit Accounts and Additional Voluntary Contribution Accounts of active and inactive members) are invested in the Balanced Fund, together with member accounts from the Combination Pension Plan.

The main long-term investment objectives set by the Pension Board and accepted by the Plan's investment managers (refer to Appendix C) are to secure the obligation of the Plan and the University for pension benefit payments. In recognition of the Plan's current characteristics, an average degree of risk in terms of shortterm variability of returns may be tolerated in the Balanced Fund's investments in pursuit of longer term returns.

The primary objective for the Balanced Fund is to achieve a rate of return, net of investment fees and based on a four-year moving average, which is above a benchmark rate of return associated with asset mix policy. The **chart below** shows actual asset mix at 31 December 2015, and the policy benchmark and range.

Asset Mix

Balanced Fund at 31 December



Investment returns

Investment returns are measured on a timeweighted basis. The return objectives include realized and unrealized capital gains or losses, plus income from all sources.

The Investment Committee monitors and reviews performance and reports to the Pension Board on a quarterly basis. While short-term results are of interest, it is important to recognize that an investment strategy ought to provide good results over the longer term. As a consequence, the Pension Board focuses on evaluating investment performance over rolling four-year periods. Over rolling four-year periods, the domestic managers are expected to meet the

benchmark plus 0.5% per annum, plus investment management and pooled fund custodial fees. The foreign equity manager is expected to meet the standard plus 1.0% per annum, plus investment management and pooled fund custodial fees. The real estate manager is expected to return the Canadian Consumer Price Index plus 4%. The benchmark for the total fund is a composite of the benchmarks for the individual asset classes.

Investments

Balanced Fund Asset Mix and Performance as at 31 December 2015								
ASSET CLASS (benchmark)	Actual Weight	Benchmark Weight (Range)	1 year Gross Return	1 year Benchmark Return	4 year Gross Return	4 year Benchmark Return		
Underlying manager	(%)	(%)	(%)	(%)	(%)	(%)		
SHORT-TERM (FTSE TMX Canada 91-day T-B	ill Index)						
BC Investment Management Corporation	0.5							
Fiera Capital Corporation Phillips, Hager & North Investment Management Limited	0.2							
Total	0.7	0 (0-21)	1.2	0.6	1.9	0.9		
FIXED INCOME (FTSE TMX Canada Universe	Bond Inc	lex)						
Phillips, Hager & North Investment Management Limited	31.7	36 (20-46)	3.9	3.5	4.6	3.6		
CANADIAN EQUITIES (S&P/TSX Capped Con	nposite I	ndex)						
BC Investment Management Corporation Fiera Capital Corporation	9.6 10.0	11 each (9-13)	(2.8) (2.8)		n/a 8.4			
Total	19.6	22 (14-27)	(2.8)	(8.3)	8.9	5.3		
FOREIGN EQUITIES (MSCI World Ex-Canada	Net, \$Co	in, Index)						
BC Investment Management Corporation	38.4	32 (20-40)	23.0	20.0	22.0	20.8		
REAL ESTATE (Canadian Consumer Price Ind								
BC Investment Management Corporation	9.6	10 (5-15)	5.7	5.7	9.8	5.3		
TOTAL FUND (Composite Benchmark)			9.1	6.1	11.7	9.3		

Balanced Fund - annualized returns

The table below shows the annualized rates of return on the Balanced Fund portfolio over the last ten calendar years. "Gross Gain (Loss)" are returns before expenses. "Net Gain (Loss)" are returns after all investment and operating expenses. "Net Gain (Loss)" is the rate of return credited to members' individual Money Purchase Contribution Accounts, Variable Benefit Accounts and Voluntary Contribution Accounts. Past performance is not a reliable indicator of future performance.

	1 year		4 y	ear	10 year		
Year ended 31 December	Gross Gain (Loss)	Net Gain (Loss)	Gross Gain (Loss)	Net Gain (Loss)	Gross Gain (Loss)	Net Gain (Loss)	
2015	% 9.10	% 8.71	% 11.66	% 11.29	% 6.97	% 6.70	
2014	12.21	11.87	9.47	9.17	7.36	7.07	
2013	15.31	15.00	8.82	8.53	7.32	7.04	
2012	9.98	9.69	8.98	8.70	7.28	7.01	
2011	0.92	0.64	2.17	1.90	5.86	5.59	
2010	9.56	9.28	2.68	2.41	6.00	5.73	
2009	16.01	15.71	3.44	3.17	6.31	6.04	
2008	(15.05)	(15.29)	2.75	2.48	5.81	5.54	
2007	2.94	2.68	10.05	9.78	8.49	8.20	
2006	12.87	12.59	13.12	12.84	9.12	8.82	

Investments

Balanced Fund - expense ratio detail

(expressed in \$000's)

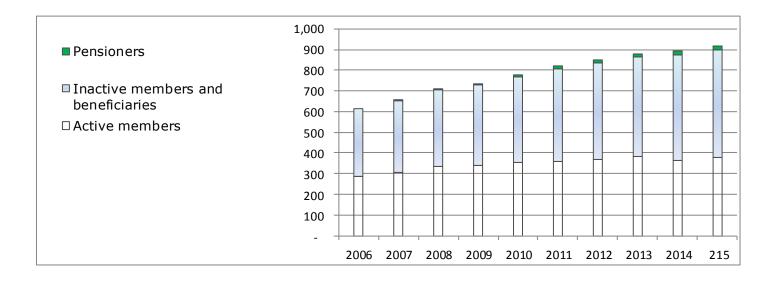
The table below provides the detail of all expenses incurred in investing and operating the pension plan. Expenses are deducted from gross gain (loss) to determine net gain (loss). Due to the effect of compounding, expenses can have a material impact on final account balances over extended periods of time. Expenses are often described as expense ratios and expressed as basis points; 0.39% is 39 basis points.

	2013		201	4	2015	
Balanced Fund Investment management expenses Custodial and consulting expenses Office and administration expenses Audit and legal expenses Total expenses	\$ 82 8 16 <u>6</u> \$112	% 0.23 0.02 0.05 <u>0.01</u> 0.31	\$113 7 20 <u>6</u> \$146	% 0.26 0.02 0.05 <u>0.01</u> 0.34	\$138 7 21 <u>24</u> \$190	% 0.28 0.02 0.04 <u>0.05</u> 0.39

Membership statistics

The table and chart below show the growth in plan membership over the past ten years. Active members are members who are still employed by the University and contributing to the plan. Inactive members are members who have terminated employment but have not yet elected a benefit; the category also includes a small number of accounts held by surviving spouses of members who died before retirement. Pensioners are members and beneficiaries who are drawing a monthly pension from the plan.

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Active members Inactive members Pensioners	285 331 -	305 347 4	334 370 4	339 389 6	356 412 9	360 449 10	370 465 13	385 480 16	366 506 21	378 519 21
Total	616	656	708	734	777	819	848	881	893	918



What are the contributions?

Members and the University share the cost of the plan.

Money Purchase Contribution Account: For 2016, members' contributions are 3% of basic salary up to the YMPE (Year's Maximum Pensionable Earnings, the contributory earnings upper limit under the Canada Pension Plan) of \$54,900 plus 5% of basic salary in excess of that amount. Members' contributions are credited to members' individual Money Purchase Contribution Accounts (MPCAs).

The University contributes to individual MPCAs an amount equal to 8.37% of basic salary up to the \$54,900 plus 10% in excess of that amount.

Total contributions to individual members' MPCAs are therefore 11.37% of salary up to the \$54,900 plus 15% in excess of that amount, subject to the limit that they may not exceed the lesser of 18% of the member's earnings and the annual defined contribution maximum set under the *Income Tax Act* (\$26,010 in 2016).

Voluntary: Subject to *Income Tax Act* maximums, members may elect to make additional contributions to a voluntary contribution account through payroll deduction or by transfer from another registered plan (RRSP or Canadian registered pension plan). Transfers from spousal RRSPs are not permitted.

Example of 2016 pension contributions based on an annual salary of \$67,000								
	Membe	r	Univers	ity	Total			
	Amount	%	Amount	%	Amount	%		
Money Purchase Contribution Account	\$2,252	3.3	\$5,805	8.7	\$ 8,057	12.0		
Canada Pension Plan	2,544	3.8	2,544	3.8	5,088	7.6		
Total pension contributions	\$4,796	7.1	\$8,349	12.5	\$14,508	19.6		

When are members eligible for a retirement benefit?

Retiring members of the Money Purchase Pension Plan may use the monies accumulated in their Money Purchase Contribution Account (and Voluntary Contribution Account, if applicable) to provide a lifetime retirement income. Retirement ages are defined below.

Normal retirement date for a member of the Money Purchase Pension Plan is the last day of the month in which the member attains 65 years of age.

Early retirement A member may elect to take early retirement on or after the end of the month in which the member attains 55 years of age.

Deferred retirement A member may defer commencement of retirement benefits until the end of the calendar year in which the member attains 71 years of age. If a member does not select a benefit by 31 October of the year they turn age 71, they will be deemed to have selected an option that does not require spousal consent or waivers and provides maximum future flexibility; non locked-in amounts that are under two times the YMPE for 2016 (\$54,900 x 2 = \$109,800) are paid out in cash, less withholding tax.

Understanding the Plan

What are the options at retirement?

A member has a range of options designed to allow tailoring of retirement income to suit his or her individual situation, preferences, and financial plan. The detailed selection of any one option or a combination of options is a matter for the individual member and his or her private financial advisor, and the plan cannot provide this type of advice. Spousal consent is required for some options. Subject to some restrictions, options may be combined for maximum flexibility.

With minor variations, there is basically one option available directly from the Plan and two options outside the Plan. Within the Plan, a member may choose a variable benefit (basically similar to an external life income fund). Alternatively the member may remove his or her funds from the Plan, and choose between an external annuity, for example from an insurance company, or a registered retirement/life income fund. When an annuity is purchased with a member's Money Purchase Contribution Account (MPCA) balance, control and ownership of the account balance is relinquished in exchange for the promise of a future lifetime income. This is in contrast to the variable benefit or a retirement income fund, where the member retains control and ownership of the account balance, and makes withdrawals within statutory limits.

If a member wishes to defer commencement of benefits, this can be accomplished (to age 71) by leaving the money within his or her MPCA, or external to the plan by making use of locked-in retirement account (LIRAs).

1. Variable Benefit

This option is similar to an external life income fund. A member is eligible for this option if his/ her account balance is at least twice the Year's Maximum Pensionable Earnings (YMPE). YMPE in 2016 is \$54,900. The funds that accumulate in a member's MPCA and Unrestricted or Restricted Voluntary Account(s), if applicable, are held in a Variable Benefit Account (VBA). The member retains ownership of the funds and each year sets the monthly retirement benefit, subject to statutory minima and maxima. The minimum does not take effect until the year the member reaches age 72 and, for a particular year after age 71, is the value of the account at the start of the year multiplied by the appropriate percentage rate from an age-based table. A member with a younger spouse may elect to use the spouse's age for purposes of determining the appropriate percentage rate for the minimum withdrawal. The maximum for a particular year only applies to the locked-in (post-1992) portion of a member's account. For pensioners who have been on the option for a full calendar year, the maximum is the greater of: (a) actual investment returns for the preceding year; and (b) the locked-in portion of the account at the start of the year multiplied by the appropriate factor from an age-based table. A booklet explaining the variable benefit in more detail is available upon request from Pension Services. The booklet contains a table of withdrawal rate limits.

The balance remaining in a member's account after each month's withdrawal shares in the investment performance of the Balanced Fund and, when the member dies, any remaining balance forms the survivor benefit.

If the member has a spouse, spousal consent is required for the variable benefit option.

With one full calendar month of notice, a variable benefit pensioner may terminate the pension and apply the balance remaining to one or a combination of the other options. If the member is over 71 years of age, the minimum withdrawal for the year must be satisfied before the funds are applied to another option. If the funds are transferred to a life income fund, no withdrawal is permitted from the new life income fund until the following calendar year.

Options at a Glance

- Start a variable benefit (RRIF/LIF-type option) from the Plan, subject to a minimum account size
- Purchase a life annuity from an insurance company
- Transfer MPCA to a RRIF/LIF
- Transfer MPCA to a locked-in retirement account (LIRAs)
- Transfer MPCA to another registered pension plan
- Leave MPCA on deposit for a future pension (default option)

Options at retirement ∼ continued

2. Life Annuity from a life insurance company

Life annuities may be purchased from life insurance companies. Normally, a life annuity pays a fixed annual amount, unlike our internal annuities, which vary according to investment performance. Some companies may offer annuities with a fixed annual percentage escalation over time. As with the internal annuities, the initial payments depend on the balance available, the age of the annuitant, and the survivor option selected. Annuity rates offered are based on prevailing interest rates and other market factors, and can vary substantially from one company to another.

3. Registered Retirement and Life Income Funds (RRIFs and LIFs)

The portion of a member's account that is attributable to pre-1993 contributions may be transferred to a registered retirement income fund (RRIF). The remainder (post-1992) is locked-in and is only transferable to a life income fund (LIF). In both cases, the member retains ownership of the monies. The permissible underlying investments of RRIFs and LIFs are the same as for registered retirement savings plans (RRSPs) and may be self-directed. Based on the age of the member, there are statutory annual minimums for withdrawals from RRIFs and LIFs, and a maximum for LIFs, but no maximum for RRIFs. If the member has a spouse, spousal consent is required for a transfer to a LIF.

What are the options upon termination of employment?

If a member leaves the employ of the University before earliest retirement age (55 years of age), the member is eligible for one of the following options:

- Leave Money Purchase Contribution Account (MPCA) on deposit for a future pension (default option)
- Transfer MPCA to a locked-in retirement account (LIRAs)
- Transfer MPCA to another registered pension plan
- Transfer to a life income fund (LIF) (minimum age 50)
- Purchase a deferred life annuity from an insurance company (minimum age 50)

Any portion of the member's account that is attributable to contributions made prior to 1993 is not subject to lock-in conditions and may be transferred to a regular RRSP or Registered Retirement Income Fund (RRIF) or be paid in cash less withholding tax. A member must commence a pension benefit or effect a transfer from the plan by the end of the calendar year in which the member attains 71 years of age.

Understanding the Plan

What are the survivor benefits?

The survivor benefit for a member who dies **before commencing a benefit, or for a variable benefit pensioner**, is the balance in the member's account(s).

Under the *Pension Benefits Standards Act*, the beneficiary for the survivor benefit must be the member's spouse (if the member has a spouse), unless the spouse has completed and filed a spouse's waiver of pre-retirement benefits with Pension Services; or, in the case of the variable benefit, the member did not have a spouse at the start date of the variable benefit. The definition of spouse includes a common-law or same sex partner.

Members who have ended a legal marriage or who have had a common-law partner for at least two years are encouraged to verify that their beneficiary designation is current and valid. A person to whom you are married retains spousal status for up to two years following separation.

A beneficiary who is a spouse may elect a monthly benefit or a transfer of the member's account balance to a LIRA or RRIFs/LIFs.

All options that are available to a member are available to a surviving spouse, with the exception that the spouse need not have attained 55 years of age to commence a monthly benefit. The spouse must commence a pension benefit or effect a transfer from the plan by the later of one year following the member's date of death or the end of the calendar year in which the spouse attains 71 years of age.

Under the *Income Tax Act* a beneficiary who is not a spouse is required to withdraw the death benefit in cash as soon as is practicable. Withholding tax of up to 30% will be deducted from any cash payment. The actual tax payable depends on the beneficiary's marginal tax rate in the year in which the cash payment is issued.

2015 Plan Amendments

On May 11, 2015, the British Columbia government released the new Pension Benefits Standards Regulation (PBSR) which details the implementation requirements under the new Pension Benefits Standards Act (PBSA). This was the first comprehensive review of the Act and regulations since the original Act and Regulations came into force in 1993 and is therefore guite substantive. Plan administrators were given until December 31, 2015 to amend Plan texts so that they comply with the requirements of the new PBSA and PBSR, but the Plan must be (and has been) administered in accordance with the new legislation effective September 30, 2015. Various other 'housekeeping' revisions that provide clarity were also incorporated into the amendment.

As required under Section 30 of the PBSR in regard to disclosure, following is a <u>summary only</u> of the amendments that affect the member's benefits and an explanation of how those amendments affect those benefits. A full version of the amended Plan document is available at <u>www.uvic.ca/financialplanning/pensions/moneypurchase/index.php</u>

Plan text Sections	New Provision	Effect on plan member's benefit
Eligibility for Member- ship	Section 3.08 revised to reflect new practice of allowing members of the Combination Plan whose appointment is reduced in the same position to stay in the Combination Plan.	Combination Plan Members who reduce their appointment will no longer move to the Money Purchase Plan, unless they also change their position. No change from previous rules
	Section 3.05 added to explicitly state that a re-employed pensioner is not eligible to recontribute	
Retirement Benefits	Section 8.03 revised (options at retirement for voluntary accounts) to reflect the Pension Board's decision to cease offering an internal variable annuity option for voluntary contributions.	In order to improve administrative efficiencies, a change in pension options for voluntary funds was implemented. These changes do not affect members regular pension options.
	This section was also revised to clarify that the variable benefit option is only available if the member selects it with their combined contribution account or if at least twice the YMPE is applied to that option. Members may still purchase an annuity outside the Plan.	
Miscellane- ous	Section 13.04 was revised to include new unlocking provisions to comply with PBSA Sec 69 and as permitted under Sec 89(2)	Under specific circumstances members may be able to remove locked in funds due to shortened life expectancy.
		The Pension Board now has discretion to pay out small benefits in a lump sum instead of as a pension.
		The small benefit threshold is no longer tied to the year the member terminated employment and therefore now increases over time
Transfers (between UVic Plans)	Members who are at least age 55 may commence pension from one plan even if they are still actively participating in another UVic plan.	Previously, members who changed membership from one UVic pension plan to another were precluded from commencing a benefit until they terminated all UVic employment that provided pension coverage.

General enquiries or requests for statements should be directed to Pension Services at (250) 721-7030, by email to pensions@uvic.ca, or to:

Mailing address	Physical address/courier
Pension Services University of Victoria PO Box 1700, Stn CSC Victoria BC V8W 2Y2	Pension Services University of Victoria ASB—Room B278 3800 Finnerty Rd Victoria BC V8P 5C2

Retiring members should contact Pension Services at least 3-6 months before their retirement date (last date on pay *vs* last day at work). Pension Services will send the member a statement of options and the forms required for the various options. **The forms must be received in Pension Services at least one full calendar month prior to the benefit payment date**.

Pensions are paid on the first of each month. Lump sum payments and transfers are processed at the end of each calendar month; the payment or transfer value is the market value at the end of the previous month, plus interest for the final month.

APPENDIX A: Portfolio holdings at 31 December 2015, Balanced Fund

Short-term investments (0.16% of total)		
	Par Value or Units	Market Value
Canada Treasury Bills	\$1,420,000	\$1,418,729
Pooled Funds bcIMC Canadian Money Market Fund ST2 Phillips, Hager & North Institutional STIF	25.12290 2,436.148	100,150 24,361
		\$1,543,240

Canadian bonds (29.48% of total)				
	Interest Rate (%)	Maturity Date	Par Value or Units	Market Value
Federal (government and government guaranteed) Canada Housing Trust NHA MBS #96505011 by Peoples Trust Co NHA MBS #96503636 by Equitable Trust Co	0.750 2.250 3.500 5.000 1.250 1.500 3.350 1.250 4.200 4.350	2020 2025 2045 2037 2047 2044 2020 2020 2020 2019 2018	\$14,080,000 5,556,000 5,446,000 373,000 1,055,000 337,000 1,219,000 2,539,000 4,985,000 185,000 620,000	\$14,094,122 5,973,372 7,063,261 556,463 1,273,445 453,332 1,340,191 2,535,852 4,980,703 176,435 547,425
Provincial (government and government guaranteed) Alberta Alberta Alberta British Columbia British Columbia British Columbia British Columbia Manitoba Manitoba New Brunswick Sinking Fund Debenture New Brunswick Ontario	2.350 3.500 3.450 3.900 6.350 4.950 2.850 2.850 3.850 4.800 4.800 4.800 7.500 2.900 3.500 4.700 5.600 5.850 6.200 6.500 7.600 8.500 2.750 8.500 8.500 9.375	2025 2031 2043 2033 2031 2040 2048 2045 2046 2023 2045 2021 2022 2025 2024 2046 2043 2024 2037 2035 2033 2031 2029 2027 2026 2025 2026 2025 2026 2041 2025 2026 2041 2025 2026 2041 2025 2026 2041 2025 2026 2041 2025 2026 2041 2025 2026 2041 2025 2026 2041 2025 2026 2041 2025 2026 2041 2025 2026 2041 2025 2026 2041 2025 2026 2041 2025 2026 2041 2025 2026 2041 2025 2026 2041 2025 2026 2027 2026 2041 2025 2026 2041 2025 2026 2027 2026 2041 2025 2041 2025 2041 2025 2041 2025 2041 2025 2041 2025 2041 2025 2041 2025 2041 2025 2041 2025 2041 2043 2045 2045 2045 2046 2046 2046 2046 2046 2046 2046 2046	\$ 3,237,000	\$ 3,230,361 317,786 836,611 621,634 1,103,757 316,649 1,019,406 286,352 995,740 402,375 362,026 1,231,926 265,094 467,115 1,299,073 6,280,431 3,948,578 375,615 12,520,774 5,248,594 3,638,003 816,510 2,725,775 2,311,857 6,964,591 11,254,651 11,223,677 174,620 6,189,890 1,246,980 3,740,219 157,611 467,995 262,371 153,850 95,710 2,767,478 5,465,416 2,249,621

APPENDIX A: Portfolio holdings at 31 December 2015, Balanced Fund

Canadian bonds ~ continued				
	Interest Rate (%)	Maturity Date	Par Value or Units	Market Value
Provincial (government and government guaranteed—continued) Saskatchewan Saskatchewan Saskatchewan Saskatchewan Saskatchewan	6.400 3.900 5.750 2.750	2031 2045 2029 2046	\$153,000 464,000 96,000 775,000	\$217,616 518,785 126,752 697,374
Municipal (Government & Government Guaranteed) Municipal Finance Authority BC South Coast BC Transportation	3.350 3.800	2022 2020	\$139,000 705,000	\$150,515 775,377
Corporate CBC Monetization Trust CDP Financial Inc Hospital for Sick Children	4.688 4.600 5.217	2027 2020 2049	\$131,097 138,000 330,000	\$154,619 156,730 413,664
Pooled Funds Phillips, Hager & North High Yield Bond Fund Phillips, Hager & North Investment Grade Corp Bond Trust RBC High Yield Bond Fund Sr O			\$ 317,748.038 12,838,354.418 147,565.785	\$ 3,326,345 127,369,314 1,482,933
				\$277,420,750

Mortgages (2	2.38% of total)
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	Units	Market Value
Phillips, Hager & North Mortgage Pension Trust	2,085,977.934	\$22,401,108

Canadian equities (19.68% of total)		
	Shares	Market Value
Consumer Discretionary Gildan Activewear Inc Cineplex Inc Dollarama Magna International Inc	91,746 31,460 28,154 36,637	\$3,609,288 1,495,923 2,250,631 2,056,068
Consumer Staples Alimentation Couche-Tard Inc Class B Sub-Vtg	70,621	\$4,301,525
Energy Arc Resources Ltd CDN Natural Resources Ltd CDN Energy Services & Technology Keyera Corp Paramount Resources Ltd Suncor Energy Inc New Tourmaline Oil Corp Vermilion Energy Inc	57,852 76,476 172,799 63,927 47,007 71,559 49,738 33,085	\$ 966,128 2,311,105 670,460 2,573,701 287,683 2,556,087 1,111,644 1,244,327
Financials Bank of Nova Scotia (The) Brookfield Asset Management Inc Class A Ltd Vtg Brookfield Property Partners LP Colliers Intl Group Inc Subordiate Voting Com Element Financial Corp Manulife Financial Corp Onex Corp Sub-Vtg Royal Bank of Canada Toronto-Dominion Bank (The)	55,450 91,717 65,006 20,175 147,746 218,101 19,432 85,817 139,213	\$3,103,537 4,003,447 2,094,493 1,245,403 2,467,358 4,523,415 1,648,222 6,363,331 7,550,913

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APPENDIX A: Portfolio holdings at 31 December 2015, Balanced Fund

Canadian equities ~ continued		
	Shares	Market Value
Health Care Concordia Healthcare Corp Common	30,336	\$1,715,197
Industrials Transforce Inc Brookfield Infrastructure Limited Partners Canadian National Railway Co Canadian Pacific Railway Limited Common	41,522 26,389 45,939 11,686	\$ 980,334 1,384,563 3,553,382 2,065,267
Materials Franco Nevada Corp Agnico-Eagle Mines Ltd. Com Agrium Inc Methanex Corp West Fraser Timber Co Ltd	28,266 28,727 12,957 19,172 36,585	\$1,789,238 1,044,801 1,602,392 876,160 1,921,810
Information Technology CGI Group Inc Open Text Corp Com	41,995 26,586	\$2,326,523 1,763,715
Telecommunication Services Telus Corporation	62,019	\$2,372,847
Pooled Funds bcIMC Active Canadian Equity Fund Fiera Capital Small Cap Fund	9,727.182206 47,901.755	\$93,072,461 10,291,764
		\$185,195,145

Foreign equities (38.62% of total)		
	Units	Market Value
Pooled Funds bcIMC Indexed US Equity Fund bcIMC Active Emerging Markets Equity Fund bcIMC Active Global Equity Fund bcIMC Indexed Global Equity Fund	5,441.767536 1,299.952625 115,006.773903 31,668.611873	\$ 48,104,371 1,698,578 245,425,721 68,241,140
		\$363,469,809

Real estate (9.67% of total)		
	Units	Market Value
bcIMC Realpool Investment Fund	10,397.926970	\$91,041,472

	41,071,524 52,749,685
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APPENDIX B: History of the Plan

The Money Purchase Pension Plan is a defined contribution plan. It was created 1 January 1991 for members of the faculty and administrative and academic professional staff holding term appointments or regular (continuing) appointments of 50% or more of full time, but less than full time and for assistant teaching professors and sessional lecturers. In a defined contribution plan, the contributions of the member and his or her employer, together with net investment earnings or losses, accumulate throughout the member's career. At retirement, the accumulated sum is used to purchase a pension. In a defined contribution plan, net investment returns are obviously of great importance to the member.

Member contribution rates. Members of the plan contribute an amount equal to:

- (a) 3% of basic salary up to the contributory earnings upper limit for the Canada Pension Plan (the "Year's Maximum Pensionable Earnings" - YMPE), plus
- (b) 5% on the salary in excess of that limit.

University contribution rates. The University contributes an amount equal to:

- (a) 8.37% of basic salary up to the YMPE, plus
- (b) 10% on the salary in excess of that limit.

The contributions are directed to the members' Money Purchase Contribution Accounts. The University's contributions in respect of a member, when combined with the member's required contributions, cannot exceed the lesser of 18% of the member's earnings and the annual defined contribution limit set under the *Income Tax Act*. In 1994, in response to these limits, the Supplemental Benefit Arrangement (SBA) was created. The SBA is a complement to the Money Purchase Pension Plan. It provides benefits that may not be provided under the registered pension plan.

On 1 January 1993, minimum pension standards legislation became effective in BC. The most significant impact this had on members of the Money Purchase Pension Plan is that contributions made on or after 1 January 1993 must be locked in to provide a lifetime retirement income. Contributions made prior to 1993 were restricted under the plan document. The restrictions did not amount to full lock-in under pension standards and were removed on 1 November 2006.

On 1 November 2006, the variable benefit was added as an option for retiring members with an account balance at least twice the Year's Maximum Pensionable Earnings (YMPE). The variable benefit is essentially a life income fund operated by the pension plan. It provides members with a regular but flexible retirement income. A booklet explaining the variable benefit in more detail is available upon request from Pension Services.

APPENDIX C: Service providers

Service providers at the end of December 2015				
Investment Managers	BC Investment Management Corporation (bcIMC) • manages one-half the Canadian equity portion, and all the foreign equity and real estate portions of the Balanced Fund			
	Fiera Capital Corporation • manages one-half the Canadian equity portion of the Balanced Fund			
	Phillips, Hager & North Investment Management Limited manages the fixed income portion of the Balanced Fund			
Custodian	RBC Investor Services Trust custodian of plan assets, excluding bcIMC funds payment service for pensions and taxable lump sums			
Investment consultant	Towers Watson			
Performance measurement	RBC Investor Services Limited			
Actuary	Mercer (Canada) Limited			
Auditor	Grant Thornton LLP			



Financial Statements

University of Victoria Money Purchase Pension Plan

December 31, 2015

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Independent Auditor's Report

Grant Thornton LLP 3rd Floor 888 Fort Street Victoria, BC V8W 1H8

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To the Trustees of University of Victoria Money Purchase Pension Plan

We have audited the accompanying financial statements of the University of Victoria Money Purchase Pension Plan, which comprise the statement of financial position as at December 31, 2015, and the statement of changes in net assets available for benefits and the statement of changes in obligations for benefits for the year then ended, and a summary of significant accounting policies and other explanatory information.

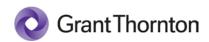
Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for pension plans, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the University of Victoria Money Purchase Pension Plan as at December 31, 2015 and it financial performance for the year then ended in accordance with Canadian accounting standards for pension plans.

Victoria, Canada March 8, 2016

Chartered Professional Accountants

Grant Thornton LLP

University of Victoria Money Purchase Pension Plan Statement of Financial Position

December 31 (expressed in \$000's)	2015	2014
Assets		
Cash	\$ <u>128</u>	\$112_
Investments (Note 4) Short-term	87	539
Canadian bonds	15,550	13,865
Mortgages	1,256	1,169
Canadian equities Foreign equities	10,381 20,373	10,539 16,692
Currency hedges	-	33
Real estate	5,103	5,423
	52,750	48,260
Receivables		
Accrued interest and dividend income	52	48
Transactions to be settled and other	282	14
	334	62
	53,212	48,434
Liabilities		
Accounts payable and accrued liabilities	12	11
Currency hedges	8	
	20	11
Net assets available for benefits (Note 6)	53,192	48,423
Obligations for benefits	53,192	48,423
Net assets available for benefits less obligations for benefits	\$	\$

Approved by the Board of Pension Trustees

Chair

Vice-Chai

See accompanying notes to the financial statements.

University of Victoria Money Purchase Pension Plan Statement of Changes in Net Assets Available for Benefits

Year Ended December 31 (expressed in \$000's)		2015		2014
Change in net assets				
Net return on investments (Note 5)				
Interest income	\$	535	\$	516
Mortgage income	•	42	,	39
Dividend income		112		114
Net realized and unrealized gain on investments		3,745		4,518
Investment administration costs	-	(145)		(120)
	-	4,289		5,067
Contributions (Note 1)				
Members' required		868		852
Members' additional voluntary		51		49
University's required		2,020		1,981
Transfers from other plans	-	211		259
	-	3,150		3,141
Payments to or on behalf of members				
Pensions to retired members or beneficiaries		(315)		(263)
Members' accounts transferred and refunded,		(0.040)		(4.550)
and death benefits	-	(2,310)		(1,553)
	_	(2,625)		(1,816)
Operating expenses				
Office and administrative costs		(21)		(22)
Audit registration and legal fees	_	(24)		(6)
		(45)		(28)
	-			
Increase in net assets		4,769		6,364
Net assets available for benefits, beginning of year	_	48,423		42,059
Net assets available for benefits, end of year	\$_	53,192	\$	48,423

See accompanying notes to the financial statements.

University of Victoria Money Purchase Pension Plan Statement of Changes in Obligations for Benefits

Year Ended December 31 (expressed in \$000's)	2015	2014
Obligations for benefits, beginning balance	\$ 48,423	\$ 42,059
Net investment returns Contributions	4,244 3,150	5,039 3,141
Benefits paid Accounts transferred or refunded	 (315) (2,310)	 (263) (1,553)
Change in obligations for benefits	 4,769	 6,364
Obligations for benefits, ending balance	\$ 53,192	\$ 48,423

See accompanying notes to the financial statements.

December 31, 2015 (expressed in \$000's)

1. Description of plan

The following description of the University of Victoria Money Purchase Pension Plan is a summary only. For more complete information, reference should be made to the Trust Agreement.

(a) General

The Plan is a defined contribution pension plan. The Plan covers all faculty and administrative and academic professional staff holding regular appointments of 50% or more of full-time but less than full time and for assistant teaching professors and sessional lecturers.

(b) Funding policy

In accordance with the Trust Agreement, members are required to contribute 3% of their basic salary up to the Canada Pension Plan Year's Maximum Pensionable Earnings (YMPE) (\$53,600 in 2015), and 5% of the basic salary in excess of that amount. The contributions are directed to the members' money purchase contribution accounts.

The University contributes 8.37% of basic salary up to the Canada Pension Plan YMPE, and 10% of the basic salary in excess of that amount. The contributions are directed to the members' money purchase contribution accounts.

The total combined member and University contributions to a member's money purchase contribution account in a calendar year are limited to the Income Tax Act (Canada) maximum (\$25,370 in 2015).

Subject to Income Tax Act (Canada) maximums, members may elect to make additional contributions to a voluntary contribution account through payroll deduction or by transfer from other registered vehicles.

(c) Investment options

Members' money purchase contribution accounts and additional voluntary accounts are invested in a balanced fund.

(d) Retirement

All members are eligible for a retirement benefit. Normal retirement is the end of the month in which the member attains age 65. Members may elect early retirement any time after attaining the age of 55, or postpone retirement benefits until December 1st of the calendar year in which the member attains age 71.

December 31, 2015 (expressed in \$000's)

1. **Description of plan** (continued)

(e) Retirement options

At retirement, members can apply the balance in their money purchase contribution accounts to one or a combination of the following forms of benefits:

- External annuity from a life insurance company.
- Transfer to (locked-in) registered retirement savings plans.
- Transfer to a combination of registered retirement income funds and life income funds.
- Variable benefit (provided their account balance is at least twice the Year's Maximum Pensionable Earnings).

(f) Termination and portability benefits

Upon termination of employment, members may retain the balance in their money purchase contribution account or transfer it to (locked-in) registered retirement savings plans.

Members may transfer pension entitlements from other registered pension plans to a voluntary account in the University of Victoria Money Purchase Pension Plan.

(g) Survivor benefits

The survivor benefit of a member, who dies before commencing a benefit, is the total in the member's money purchase contribution account and additional voluntary contribution account, if any. The beneficiary is the member's spouse (if the member has a spouse) unless the spouse has completed and filed a Spouse's Waiver of Pre-Retirement Benefits with the Pension Office. If the member does not have a spouse or the spouse has completed a waiver, the beneficiary is the member's estate unless the member has designated another beneficiary. A surviving spouse may leave the survivor benefit in the plan for a variable benefit or transfer the survivor benefit to another registered vehicle.

The survivor benefit for a pensioner on the variable benefit is the total in the member's variable benefit account.

(h) Income taxes

The Plan is a registered pension plan as defined in the Income Tax Act (Canada) and is not subject to income taxes.

2. Statement of compliance with Canadian accounting standards for pension plans

These financial statements have been prepared in accordance with Canadian accounting standards for pension plans.

December 31, 2015 (expressed in \$000's)

3. Summary of significant accounting policies

As indicated in Note 2, these financial statements have been prepared in accordance with Canadian accounting standards for pension plans. Accounting standards for pension plans require entities to select accounting policies for accounts that do not relate to its investment portfolio or pension obligations in accordance with either International Financial Reporting Standards ("IFRS") or Canadian Accounting Standards for Private Enterprises ("ASPE"). The Trustees selected IFRS for such accounts on a consistent basis and to the extent that these standards do not conflict with the requirements of the accounting standards for pension plans.

(a) Investments

Investments are stated at fair value. Fair value is determined using market values where available. Fair value for international investments, held by BC Investment Management Corporation are estimated based on preliminary market values supplied by the BC Investment Management Corporation, and any differences between the estimated values and final market values are adjusted in the subsequent period. Where listed market values are not available, estimated values are calculated by discounted cash flows or based on other approved external pricing sources. Price comparison reports are used to compare the prices of the bonds and publicly traded equities held in pooled funds against a secondary source. Mortgages are valued at the end of each month based on a discounted cash flow model. Real estate investments are valued guarterly by BC Investment Management Corporation's real estate investment managers and, at least once every ten to eighteen months, by accredited independent appraisers to establish current market values. At the end of each quarter BC Investment Management Corporation uses financial statements provided by the external managers and general partners or valuation reports to calculate the share values and the unit values for the externally managed holding corporations and limited partnerships. Investment sales and purchases are recorded on trade date.

(b) Investment income

Investment income is recorded on the accrual basis. Any adjustments to investments due to the fluctuation of market prices are reflected as part of the return on investments in the statement of changes in net assets available for benefits.

(c) Use of estimates

The preparation of financial statements, in conformity with Canadian accounting standards for pension plans, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in assets during the period. Actual results could differ from those estimates. Significant areas requiring the use of management estimates relate to the valuation of investments.

December 31, 2015 (expressed in \$000's)

4. Investments (fair value)

The assets of the Plan are pooled for investment purposes with the Balanced Fund assets of the University of Victoria Combination Pension Plan. At December 31, 2015, 5.61% (2014: 5.52%) of the assets held in the Balanced Fund were in respect of the University of Victoria Money Purchase Pension Plan.

The Plan's investments are recorded at fair value or at amounts that approximate fair value. Fair value is the amount at which the investment could be exchanged in a current financial transaction between willing parties. The investments are categorized according to a hierarchy which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). The three levels of the fair value hierarchy are as follows:

Level 1 – Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 – Inputs that are not observable for the asset or liability.

The Plan's proportionate share of investments in the Balanced Fund, categorized according to the fair value hierarchy, is as follows:

		-	2015	 2014
Short-term notes	- Level 1	\$	7	\$ 468
Short-term notes	- Level 2		80	71
Canadian bonds	- Level 1		7,409	6,805
Canadian bonds	- Level 2		8,141	7,060
Mortgages	- Level 1		1,256	1,169
Canadian equities	- Level 1		5,164	5,252
Canadian equities	- Level 2		5,217	5,287
Foreign equities	- Level 2		20,373	16,692
Currency hedges	- Level 2		-	33
Real estate	- Level 3		5,103	 5,423
		\$_	52,750	\$ 48,260
Fair value hierarchy				
Level 1			13,836	13,694
Level 2			33,811	29,143
Level 3			5,103	 5,423
		\$	52,750	\$ 48,260

December 31, 2015 (expressed in \$000's)

4. Investments (fair value) (continued)

The following table summarizes the changes in the fair value of the Plan's financial instruments classified as level 3 investments:

	 2015	 2014
Beginning balance Sales Realized and unrealized gains	\$ 5,423 (684) 364	\$ 4,849 (33) 607
Ending balance	\$ 5,103	\$ 5,423

Short-term notes consist of Canadian money market securities maturing in 12 months or less and include treasury bills and guaranteed investment certificates. Canadian bonds consist of government and corporate bonds and debentures. Mortgages consist of units in a pool of first mortgages on income-producing property in Canada. Equities consist of publicly traded shares. Real estate investments consist mainly of diversified Canadian income-producing properties. Investments may be segregated or consist of units of pooled investment portfolios of the investment managers.

Currency contracts are held individually by BC Investment Management Corporation. The contracts are used for defensive purposes in order to protect clients' foreign investments from the impact of an appreciating Canadian dollar (relative to the foreign currency). The manager purchases and sells currencies through the spot market, forward contracts, and/or futures. Unit values are calculated based on the net realized and unrealized gains/losses of the derivative financial instruments.

December 31, 2015 (expressed in \$000's)

5. Net return on investments

Net investment returns less operating expenses are distributed to members' money purchase contribution accounts and additional voluntary contribution accounts at the end of each month.

The Balanced Fund earned a gross return of 9.10% (2014: 12.21%) and a net return of 8.71% (2014: 11.87%). Net investment returns are as follows:

	 2015		2014
Interest			
Cash and short-term notes	\$ 6	\$	10
Bonds	528		503
Mortgages	42		39
Other	1		3
Dividends			
Canadian equities	112		114
Net realized gains	4,782		3,059
Net unrealized gains	 (1,037)		1,459
	 4,434		5,187
Investment costs:	400		440
Management fees	138		113
Custodial fees	3		3
Other	 4	_	4
	 145		120
Total net investment return	\$ 4,289	\$	5,067

6. Net assets available for benefits

The net assets available for benefits as at December 31 are allocated as follows:

	-	2015		2014
Money purchase contribution accounts ("MPCA")	\$	46,161	\$	41,779
Additional voluntary contribution accounts ("AVC")		2,035		1,708
Variable benefit accounts ("VBA")		4,996		4,936
	\$	53,192	\$_	48,423

7. Money purchase contribution accounts ("MPCA")

Each member of the Plan has a MPCA, which is reported annually to the member. MPCAs are invested in the Balanced Fund.

December 31, 2015 (expressed in \$000's)

8. Variable benefit accounts ("VBA")

Each member of the plan in receipt of a variable benefit pension has a VBA. VBAs are invested in the Balanced Fund.

9. Additional voluntary contribution accounts ("AVC")

Additional voluntary contribution accounts are divided into restricted voluntary accounts ("RVA") and unrestricted voluntary accounts ("UVA"). Transfers from other pension plans that have restrictions imposed by the exporting plans are placed in RVA. Contributions made by members on a voluntary basis and transfers that are unrestricted are placed in UVA. All RVA and UVA are invested in the Balanced Fund as follows:

	 2015	 2014
Restricted voluntary accounts Unrestricted voluntary accounts	\$ 750 1,285	\$ 690 1,018
	\$ 2,035	\$ 1,708

10. Risk management

The Plan's investments are recorded at fair value. Other financial instruments consist of cash, receivables, and accounts payable and accrued liabilities. The fair value of these financial instruments approximates their carrying values. Fair values of investments are exposed to market risk, liquidity risk and credit risk.

Market risk

Market risk is comprised of currency risk, interest rate risk, and other price risk.

<u>Currency risk</u>: Currency risk relates to the possibility that the investments will change in value due to future fluctuations in US, Euro and other international foreign exchange rates. For example, a 5% strengthening (weakening) of the Canadian dollar against foreign currencies at December 31, 2015 would have decreased (increased) investments held in foreign currencies by approximately \$1.0 million (2014: \$0.8 million).

Currency risk associated with foreign equities may be hedged at the discretion of the Global Equity Manager, BC Investment Management Corporation, in order to protect the value of foreign equity investments from the impact of an appreciating Canadian dollar (relative to the foreign currency).

The Fixed Income Manager may purchase US Treasury Bonds, provided the foreign currency exposure is hedged through the purchase of currency contracts.

December 31, 2015 (expressed in \$000's)

10. Risk management (continued)

Interest rate risk: Interest rate risk relates to the possibility that the investments will change in value due to future fluctuations in market interest rates. Duration is an appropriate measure of interest rate risk for fixed-income securities as a rise in interest rates will cause a decrease in the price of fixed income securities – the longer the duration, the greater the effect. At December 31, 2015, the average duration of the fixed income securities in the Balanced Fund was 7.4 years (2014: 7.2 years). Therefore, if nominal interest rates were to increase by 1%, the value of the Balanced Fund fixed income securities would drop by 7.4% (2014: 7.2%).

Other price risk: Other price risk relates to the possibility that the investments will change in value due to future fluctuations in market prices. This risk is reduced by the investment policy provisions approved by the Board of Pension Trustees for a structured asset mix to be followed by the investment managers, the requirement for diversification of investments within each asset class and credit quality constraints on fixed income instruments. Other price risk can be measured in terms of volatility, i.e., the standard deviation of change in the value of a financial instrument within a specific time horizon. Based on the volatility of the current asset class holdings shown in Note 4, the expectation is that over the long-term, the Balanced Fund will return around 6.1%, within a range of +/- 9.2% (i.e., results ranging from -3.1% to 15.3%).

	Volatility %
Short-term holdings	+/- 1.5
Bonds and mortgages	+/- 5.4
Canadian equities	+/- 19.5
Foreign equities	+/- 17.1
Real estate	+/- 13.0

Benchmark for investments	% change	Net impact on market value
FTSE TMX Canada 91-day Treasury Bill Index	+/-1.5	\$1
FTSE TMX Canada Universe Bond Index	+/- 5.4	908
S&P/TSX Capped Composite Index	+/-19.5	2,024
MSCI World Net Index	+/- 17.1	3,483
Canadian Consumer Price Index (real estate)	+/- 13.0	663

Other price risk is managed by diversification of the portfolio, both by investment managers (three) with differing investment styles and mandates and by allocation of equities across a range of sectors and companies.

Liquidity risk

Liquidity risk is the risk of being unable to generate sufficient cash or its equivalent in a timely and cost effective manner in order to meet commitments as they come due. The primary liabilities in the Plan are defined contribution entitlements (see MPCA, AVC and VBA account balances in Note 6), and operating expenses. Liquidity requirements are managed through income generated by monthly contributions and investing in sufficiently liquid (eg. publicly traded) equities, pooled funds and other easily marketable instruments.

December 31, 2015 (expressed in \$000's)

10. Risk management (continued)

Credit risk

Credit risk relates to the possibility that a loss may occur from failure of a fixed income security issuer to meet its debt obligations. At December 31, 2015, the maximum risk exposure for this type of investment is \$16.9 million (2014: \$15.6 million).

The Plan limits credit risk by investing only in short term debt rated R1 or higher and other debt rated BBB or higher, as rated by the Dominion Bond Rating Service or equivalent. Debt rated below BBB is only permitted in the case of a high yield bond fund which has been specifically approved for investment by the Board of Pension Trustees.

The following shows the percentage of bond and mortgage holdings in the portfolio by credit rating.

Rating	%
AAA	25.4%
AA	39.8%
Α	15.3%
BBB	18.0%
BB and below	1.4%
Unrated	0.1%

December 31, 2015 (expressed in \$000's)

11. Capital disclosures

The purpose of the Plan is to provide benefits to plan members. As such, when managing capital, the objective is to preserve assets in a manner that provides the Plan with the ability to continue as a going-concern, to have sufficient assets to meet future obligations for benefits and to have sufficient liquidity to meet all benefit and expense payments.

In accordance with regulatory requirements, the Board of Pension Trustees has established a Statement of Investment Policies and Procedures ("SIP&P") which sets out the investment principles, guidelines and monitoring procedures that are appropriate to the needs and objectives of the Plan. The SIP&P sets out benchmarks and asset allocation ranges that are intended to best secure the obligations for benefits and result in reasonable risk-adjusted return on investment. Individual investment decisions are delegated to investment managers subject to the constraints of the SIP&P and individual manager mandates. As required, the Board of Pension Trustees reviews the SIP&P and manager structure at least annually, and makes such changes to the SIP&P and/or mandates as it deems necessary. With the assistance of an outside consultant, the Board of Pension Trustees and the Pension Office regularly monitor the asset mix of each manager and fund to ensure compliance with the SIP&P and mandates.

The benchmark and ranges for the Balanced Fund are as follows:

	Benchmark	Range
Cash and equivalents	0%	0-21%
Universe bonds	36%	20-46%
Canadian equities	22%	14-27%
Foreign equities	32%	20-40%
Real estate	10%	5-15%



SUBMISSION TO THE UVIC BOARD OF GOVERNORS

FOR INFORMATION

To: FINANCE COMMITTEE

From: VICE-PRESIDENT FINANCE AND OPERATIONS Stand

cc: President and Vice-Chancellor

Meeting Date: May 31, 2016

Subject: University of Victoria Staff Pension Plan

Financial Statements for the Year Ended December 31, 2015

Basis for Jurisdiction:

Pension Benefits Standards Act (BC) Section 38.1(c)
The University of Victoria Staff Pension Plan Governance Policy Appendix A 7.

Strategic Relevance:

One of the pillars of the strategic plan is that we will attract and retain a diverse group of exceptionally talented faculty and staff. Part of attracting and retaining faculty and staff is a strong benefits package. Pension is a critical part of any compensation package and as such appropriate financial oversight is important. As well, this submission is required in order to remain in compliance with statutory requirements under provincial law and under the provisions of the plan document.

Background:

As per the Pension Benefits Standards Act, the Plan must file audited financial statements, prepared in accordance with generally accepted accounting principles, within 180 days after the end of the fiscal year. Responsibility for these statements rests with the employer, as administrator of the Plan. The Board of Governors through approval of the Staff Plan Governance Policy has delegated authority to approve the audited statements to the Staff Pension Plan Investments and Administration Committee. At its meeting on May 10, 2016, the Staff Pension Plan Investments and Administration Committee reviewed the statements with the Plan's auditor, and the Committee passed the following motion:

THAT the University of Victoria Staff Pension Plan Financial Statements for the year Ended December 31, 2015 be approved.

Financial Statement Highlights:

The statements show the assets of the Plan increasing from \$229.6 million at the end of 2014 to \$245.6 million at the end of 2015. During 2015, the Plan earned \$17.4 million (7.6%) before expenses, and \$16.1 million (7.0%) net of all expenses (including operating). This compares to a gain of \$22.6 million (10.9%) before expenses and a gain of \$21.5 million (10.3%) net of all expenses in 2014.

Employees were required to contribute 4.78% of earnings up to \$53,600 (\$52,500 in 2014) and 6.53% of earnings above \$53,600. This totaled \$2.3 million for 2015 (\$2.2 million in 2014). The employer has a single required contribution rate of 12.0% which totaled \$5.6 million (\$5.5 million in 2014). Total contributions in 2015 were \$8.1 million (\$8.1 million in 2014) including additional employee voluntary contributions of \$47 thousand and additional employer contributions of \$180,723 to cover the commuted value transfer deficiency, as required under the BC Pension Standards Regulations, when the plan has a solvency deficiency. Benefit payments were \$8.4 million in 2015 (\$8.7 million in 2014). The Investments and Administration Committee takes into consideration the excess of benefits paid out over contributions paid into the Plan when determining the investment strategy.

The Plan has a basic and supplemental component. The basic plan provides CPI indexing up to 3%. Subject to certain conditions, the supplemental component provides indexing over 3%.

The Statement of Changes in Pension Obligations uses data prepared by the plan actuary and shows an extrapolation, from the previous valuation, of the basic benefit and supplementary benefit actuarial liabilities to the end of 2014. At the end of 2015, the net assets available for benefits exceeded the obligations for benefits by \$30.4 million. This is an improvement over an excess of \$25.8 million in 2014.

As required by legislation a full valuation was completed for the year end December 31, 2013. The next valuation for the year end December 31, 2016 will be completed in 2017.

Attachment:

University of Victoria Staff Pension Plan Financial Statements dated December 31, 2015. The attached financial statements will be filed with the Superintendent of Pensions.

¹ Given the implications for increased administrative cost and plan risk following changes to the Pension Benefits Standards Regulations (effective September 30, 2015), the Voluntary provisions in the plan were revised so that new contributions were no longer allowed effective January 1, 2016.



Financial Statements

University of Victoria Staff Pension Plan

December 31, 2015

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Independent Auditors' Report

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To the Investments and Administration Committee

We have audited the accompanying financial statements of the University of Victoria Staff Pension Plan, which comprise the statement of financial position as at December 31, 2015 and the statements of changes in net assets available for benefits and changes in obligations for benefits for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for pension plans, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the University of Victoria Staff Pension Plan as at December 31, 2015, and the changes in its net assets available for benefits and changes in its obligations for benefits for the year then ended in accordance with Canadian accounting standards for pension plans.

Victoria, Canada May 10, 2016

Chartered Professional Accountants

Grant Thornton LLP

University of Victoria Staff Pension Plan Statement of Financial Position

December 31 (expressed in \$000's)	2015	2014
Assets		
Cash	\$ 80	\$ 7
Casii	4	Ψ
Investments (Note 4)		
Short-term	1,600	1,861
Canadian bonds	89,198	79,274
Mortgages	7,680	6,762
Canadian equities	27,764	31,369
Foreign equities	78,240	72,282
Currency hedges	-	187
Real estate	22,756	24,563
Infrastructure	15,994	11,906
	243,232	228,204
Receivables		
Members' contributions	211	196
University contributions	509	493
Accrued interest and dividend income	259	260
Transactions to be settled and other	1,265	466
	2,244	1,415_
	245,556	229,626
Liabilities	,	
Accounts payable and accrued liabilities	171	134
Currency hedges	31	-
, ,		
	202	134_
Net assets available for benefits (Note 7)		
Available for supplementary benefits	13,555	12,463
Available for accrued pension benefits	231,799	217,029
Available for addition periodiff betterno		217,023
	245,354	229,492
Obligations for benefits		
Voluntary contribution accounts	914	863
Supplementary benefits (Notes 7 and 9)	13,555	12,463
Accrued pension benefits (Note 6)	200,473	190,319
	214,942	203,645
Net assets available for benefits		
less obligations for benefits	\$ 30,412	\$ 25,847

Approved by

Chair, Staff Pension Plan Investments and Administration Committee, University of Victoria Vice-President, Finance and Operations University of Victoria

See accompanying notes to the financial statements.

University of Victoria Staff Pension Plan Statement of Changes in Net Assets Available for Benefits

Year ended December 31 (expressed in \$000's) 2015 2014 Change in net assets Net return on investments (Note 5) \$ Interest and other income 3,190 3,421 Mortgage income 251 242 994 800 Dividend income Net realized and unrealized gain on investments 12,935 18,184 Investment administration costs (944)(811) 16,426 21,836 Contributions (Note 1(b)) Members Basic 2,148 2.116 Supplementary 117 114 Additional voluntary 46 59 University **Basic** 5,513 5,365 Supplementary 117 115 CV transfer deficiency 181 284 8,122 8,053 24,548 Total increase in assets 29,889 Payments to or on behalf of members Pensions to retired members **Basic** 6,983 6,387 Supplementary 25 29 Pensions to disabled members 186 205 Termination payments and transfers to other plans 1,167 2,081 8,361 8,702 Operating expenses Office and administrative costs 217 209 45 107 Actuarial fees Audit, registration and legal fees 63 40 325 356 Total decrease of assets 8,686 9,058 Increase in net assets 15,862 20,831 Net assets available for benefits, beginning of year 229,492 208,661 Net assets available for benefits, end of year 245,354 229,492

University of Victoria Staff Pension Plan Statement of Changes in Obligations for Benefits Year ended December 31 (expressed in \$000's) 2015

2014

Change in obligations for benefits – accrued pension benefits				
Beginning balance	\$	190,319	\$	183,355
Actual plan experiences and changes in actuarial assumptions Interest accrued on benefits Benefits accrued Benefits paid	_	- 11,394 7,041 (8,281)		(2,309) 10,805 6,733 (8,265)
Change in obligations for benefits		10,154		6,964
Ending balance	\$	200,473	\$	190,319
Change in obligations for benefits – supplementar	ry benefi	ts		
Beginning balance	\$	12,463	\$_	11,107
Interest accrued on benefits Contributions Benefits paid		882 235 (25)		1,156 229 (29)
Change in obligations for benefits	_	1,092		1,356
Ending balance	\$	13,555	\$	12,463
Change in obligations for benefits – voluntary cor	ntribution	accounts		
Beginning balance	\$	863	\$_	1,122
Interest accrued on benefits Contributions Benefits paid		60 46 (55)		90 59 (408)
Change in obligations for benefits	_	51		(259)
Ending balance	\$	914	\$	863

See accompanying notes to the financial statements.

December 31, 2015 (expressed in \$000's)

1. Description of plan

The following description of the University of Victoria Staff Pension Plan ("the Plan"), established by the University of Victoria ("the University"), is a summary only. For more complete information, reference should be made to the Plan text, which is available from the Pension Office in Accounting Services.

(a) General

The Plan is primarily a defined benefit pension plan that covers primarily regular members of the Canadian Union of Public Employees (CUPE) locals 917, 951 and 4163 and exempt staff.

(b) Funding

In accordance with the Plan text, members are required to contribute no less than 4.53% of their basic salary up to the Canada Pension Plan Year's Maximum Pensionable Earnings (YMPE) (\$53,600 in 2015), and 6.28% of their basic salary in excess of that amount to the Basic Plan to fund basic pension benefits. Members contribute an additional 0.25% of salary to the Supplementary Retirement Benefit Account (Note 9).

A valuation for the plan was completed for the year ended December 31, 2013 and no change to the University basic contribution rate of 11.75% was required. The University contributes an additional 0.25% of salary to the Supplementary Retirement Benefit Account (Note 9). The next valuation for the year ended December 31, 2016 will be performed in 2017.

Up to December 31, 2015, members could elect to make additional contributions to a voluntary contribution account through payroll deduction or by transfer from other registered vehicles, subject to Income Tax Act maximums. These contributions are invested with the plan's other assets and investment returns match the rates earned by the other assets of the plan. The Plan was amended in 2015 to disallow any further voluntary contributions effective January 1, 2016.

If a future valuation requires contribution changes (up or down) as a result of normal cost changes, then the increase or decrease will be shared on a one-for-one basis between the University and plan members. If there is sufficient surplus in the plan, and the University decides to take a contribution holiday the employees will share equally in the surplus in the form of either a one-time benefit improvement and/or an employee contribution holiday.

Minimum contribution rates will be 10.5% for the University and 4.78% for the employee (6.53% on salary above the YMPE), except at a time when the plan has excess surplus as defined under the Income Tax Act and a further reduction in contributions becomes a requirement. The parties may also negotiate a one-time benefit improvement or a combination of an employee contribution holiday and one-time benefit improvement to use the employees' share of excess surplus. Notwithstanding the above, should the University be required to make contributions as a result of a solvency and/or going concern deficiency, the University will contribute 100% of the cost and the University will then be entitled to 100% of future surplus until the amount contributed is fully recovered.

December 31, 2015 (expressed in \$000's)

1. **Description of plan** (continued)

(c) Normal retirement

All members are eligible for a retirement benefit. Normal retirement is the end of the month in which the member reaches age 65. Pension benefits are calculated using the following formula:

Benefit accrual rate **x** highest five year average salary **x** years of credited service (full time equivalent).

The benefit accrual rates since the plan's inception in 1972 are as follows:

	On average salary up to the average YMPE	On average salary over the average YMPE
On service up to December 31, 1989	1.65%	2.00%
On service during 1990 and 1991	1.30%	2.00%
On service from 1992 through 1999	1.50%	2.00%
On service from January 1, 2000	1.70%	2.00%

(d) Early retirement

Members may elect early retirement at the end of any month following attainment of age 60 with no reduction provided that the member retired from active status. Members may retire between age 55 and 60 on a reduced pension. The reduction rates for retirement on an immediate pension are 3% for each year that the member is under age 60 when the pension commences. The reduction rates for retirement from inactive status (deferred) are actuarial and are between 5% and 6% for each year that the member is under age 65 when the pension commences.

(e) Disability pensions

Prior to April 1, 2006, members who became totally and permanently disabled and were in receipt of a disability pension from Canada Pension Plan were eligible to receive a disability pension from the plan equal to the pension they would have received had they continued to contribute to the plan to normal retirement. Only those members who met disability criteria prior to April 1, 2006 are in receipt of this benefit.

(f) Adjustments to pensions

Pensions are adjusted each January 1st by reference to the change in the Canadian Consumer Price Index (CPI) to a maximum of +/-3% per year since the member's last contribution date. The change in the CPI effective January 1, 2015 was 1.7%.

When the change in the CPI exceeds 3%, the Investments and Administration Committee may authorize additional indexing from the Supplementary Retirement Benefit Account (Note 9) to pensioners who are at least age 66, provided the actuary certifies that the increase can be financed by the assets of the Supplementary Retirement Benefit Account on a sound actuarial basis.

December 31, 2015 (expressed in \$000's)

1. **Description of plan** (continued)

(g) Termination and portability benefits

Upon termination of employment, members may leave their contributions on deposit for a deferred pension or elect to transfer the lump sum commuted value of their pension to a locked-in retirement account (LIRA) or another Registered Pension Plan. If the lump sum value is less than 20% of the YMPE, the member may transfer the commuted value on a non-locked-in basis or receive a cash payment, less withholding tax.

(h) Survivor benefits before retirement

If a member has a spouse, their spouse is automatically entitled to the survivor benefit; however, they can designate another beneficiary if their spouse has waived their entitlement. A spouse who has not waived their entitlement has the choice of one of the following survivor benefits:

- a lifetime monthly pension but guaranteed for 120 payments in any event which is the actuarial equivalent to the commuted value amount calculated in ii) below, payable the first of the month following the member's death; or
- a lump sum transfer of the full commuted value of the pension accrued to the member's date of death.

A beneficiary who is not a spouse is entitled to a lump sum equal to the full commuted value of the accrued pension.

(i) Survivor benefits after retirement

The survivor benefit after retirement or commencement of a disability pension is determined by the optional form selected by the member when the pension commenced. The normal form for a member who has a spouse is a joint and last survivor pension where 50% of the benefit continues to the surviving spouse. The normal form for a member who does not have a spouse is a single life pension where payments continue for the member's lifetime with a guaranteed minimum of 10 years if the member does not survive for 10 years after retirement. The optional forms available are as follows:

- Joint and last survivor where 60%, 66.7% or 100% of the benefit continues to a surviving spouse (provided the member has a spouse).
- Single life where payments continue for the member's lifetime with a guaranteed minimum of 5, 10 or 15 years.

If the member has a spouse, the member must select a form which provides at least a 60% survivor benefit unless the spouse completes a waiver.

(j) Income taxes

The Plan is a registered pension plan as defined in the Income Tax Act (Canada) and is not subject to income taxes.

December 31, 2015 (expressed in \$000's)

2. Statement of compliance with Canadian accounting standards for pension plans

These financial statements have been prepared in accordance with Canadian accounting standards for pension plans.

3. Summary of significant accounting policies

Basis of presentation

As indicated in Note 2, these financial statements have been prepared in accordance with Canadian accounting standards for pension plans. Accounting standards for pension plans require entities to select accounting policies for accounts that do not relate to its investment portfolio or pension obligations in accordance with either International Financial Reporting Standards ("IFRS") or Canadian Accounting Standards for Private Enterprises ("ASPE"). The University selected IFRS for such accounts on a consistent basis and to the extent that these standards do not conflict with the requirements of the accounting standards for pension plans.

Investments

Investments are stated at fair value. Fair value is determined using market values where available. Fair value for foreign investments held by BC Investment Management Corporation, are estimated based on preliminary market values supplied by the BC Investment Management Corporation, and any differences between the estimated values and final market values are adjusted in the subsequent period. Where listed market values are not available, estimated values are calculated by discounted cash flows or based on other approved external pricing sources. Price comparison reports are used to compare the prices of the bonds and publicly traded equities held in pooled funds against a secondary source. Mortgages are valued at the end of each month based on a discounted cash flow model. Real estate investments are valued quarterly by BC Investment Management Corporation's real estate investment managers and, at least once every ten to eighteen months, by accredited independent appraisers to establish current market values. At the end of each quarter BC Investment Management Corporation uses financial statements provided by the external managers and general partners or valuation reports to calculate the share values and the unit values for the externally managed holding corporations and limited partnerships. Investment sales and purchases are recorded on trade date. Infrastructure investments are held through limited partnership units investing in infrastructure assets. The fair value of limited partnership units are stated at values reported in their respective audited financial statements. Investments are valued twice annually based on the most recent external managers' valuations of the underlying infrastructure assets.

Investment income

Investment income is recorded on the accrual basis. Any adjustments to investments due to the fluctuation of market prices are reflected as part of the return on investments in the statement of changes in net assets available for benefits.

December 31, 2015 (expressed in \$000's)

3. Summary of significant accounting policies (continued)

Use of estimates

The preparation of financial statements, in conformity with Canadian accounting standards for pension plans, requires management, within the assumption parameters regarding pension liabilities approved by the Plan's actuaries, to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in assets during the period. Actual results could differ from those estimates. Significant areas requiring the use of management estimates relate to the valuation of investments and the estimate of the actuarial position of the obligations for benefits.

4. Investments (fair value)

The Plan's investments are recorded at fair value or at amounts that approximate fair value. Fair value is the amount at which the investment could be exchanged in a current financial transaction between willing parties. The investments are categorized according to a hierarchy which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). The three levels of the fair value hierarchy are as follows:

Level 1 – Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly.

Level 3 – Inputs that are unobservable for the asset or liability.

The Plan's proportionate share of investments in each fund, categorized according to the fair value hierarchy, is as follows:

·		 2015	 2014
Short-term	Level 1	\$ 1,600	\$ 1,861
Canadian bonds	Level 1	43,353	38,725
Canadian bonds	Level 2	45,845	40,549
Mortgages	Level 1	7,680	6,762
Canadian equities	Level 1	27,764	31,369
Foreign equities	Level 2	78,240	72,282
Currency hedges	Level 2	-	187
Real estate	Level 3	22,756	24,563
Infrastructure	Level 3	 15,994	 11,906
		\$ 243,232	\$ 228,204
Fair value hierarchy			
Level 1		\$ 80,397	\$ 78,717
Level 2		124,085	113,018
Level 3		 38,750	 36,469
		\$ 243,232	\$ 228,204

December 31, 2015 (expressed in \$000's)

4. Investments (fair value) (continued)

The following table summarizes the changes in the fair value of the Plan's financial instruments classified as level 3 investments:

	_	Real Estate	Infrastructure		Total
Beginning balance, January 1, 2015 Purchases Sales Unrealized gains	\$	24,563 - (2,185) 378	\$ 11,906 2,988 (81) 1,181	\$	36,469 2,988 (2,266) 1,559
Ending balance, December 31, 2015	\$_	22,756	\$ 15,994	\$_	38,750
Beginning balance, January 1, 2014 Purchases Sales Unrealized gains	\$	22,862 - (152) 1,853	\$ 11,007 326 (105) 678	\$	33,869 326 (257) 2,531
Ending balance, December 31, 2014	\$_	24,563	\$ 11,906	\$_	36,469

Short-term notes consist of Canadian money market securities, such as treasury bills, with terms of 12 months or less. Canadian bonds consist of government and corporate bonds and debentures. Mortgages consist of units in a pool of first mortgages on income-producing property in Canada. Equities consist of publicly traded shares. Real estate investments consist mainly of diversified Canadian income-producing properties. Infrastructure investments refer collectively to the roads, bridges, rail lines, and similar public works that are required for an industrial economy, or a portion of it, to function. Investments may be segregated or consist of units of pooled investment portfolios of the investment manager.

Currency contracts are held individually by BC Investment Management Corporation. The contracts are used for defensive purposes in order to protect clients' foreign investments from the impact of an appreciating Canadian dollar (relative to the foreign currency). The manager purchases and sells currencies through the spot market, forward contracts, and/or futures. Unit values are calculated based on the net realized and unrealized gains/losses of the derivative financial instruments.

Commitments

The Plan has commitments in the amount of \$9.4 million (2014: \$10.8 million) to fund private equity infrastructure investments. It is anticipated that these commitments will be met in the normal course of operations.

December 31, 2015 (expressed in \$000's)

5. Net return on investments

The Plan earned a gross rate of return of 7.59% (2014:10.90%) and a net rate of return of 7.02% (2014: 10.31%). Net returns are as follows:

		2015	_	2014
Interest				
Cash and short-term notes	\$	23	\$	44
Bonds		2,830		3,004
Mortgages		251		242
Other income		337		373
Dividends from Canadian equities		994		800
Net realized gains		19,793		7,559
Net unrealized gains		(6,858)		10,625
		17,370		22,647
Investment costs		_		
Manager fees		785		659
Custodial fees		75		68
Other		84	_	84
		944		811
Total net investment return	\$ _	16,426	\$_	21,836

6. Obligations for pension benefits

The present value of accrued pension benefits was determined using the projected benefit method prorated on service and administrator's best estimated assumptions. An actuarial valuation was made as of December 31, 2013 by Willis Towers Watson, a firm of consulting actuaries, and was then extrapolated by the actuary to December 31, 2015. The next required actuarial valuation for funding purposes will have an effective date of December 31, 2016.

The assumptions used in determining the actuarial value of accrued pension benefits were developed by reference to expected long-term market conditions. Significant long-term actuarial assumptions used in the valuation were:

	December 31, 2015	December 31, 2014
Economic Assumptions:		
Interest - assets	5.90%	5.90%
Interest – liabilities	5.90%	5.90%
Salary escalation		
2014	N/A	0.50%
2015	1.50%	1.50%
2016 to 2018	2.00%	2.00%
2019 onwards	2.50%	2.50%
Cost of living increase	2.00% per annum	2.00% per annum

December 31, 2015 (expressed in \$000's)

6. Obligations for pension benefits (continued)

Demographic Assumptions:

Mortality table

115% of the 2014 Canadian Pensioners Mortality Table projected generationally using improvement scale CPM-B 115% of the 2014 Canadian Pensioners Mortality Table projected generationally using improvement scale CPM-B

7. Net assets available for benefits

The net assets available for benefits as at December 31 have been allocated as follows:

		2015	 2014
Basic Plan Supplementary Retirement Benefit Account Additional Voluntary Contribution Accounts	\$ 	230,885 13,555 914	\$ 216,166 12,463 863
	\$ <u></u>	245,354	\$ 229,492

8. Actuarial valuation for funding purposes

An actuarial valuation of the Plan's assets and pension obligations is performed every three years on both a going concern and solvency basis (as required under the *British Columbia Pension Benefits Standards Act [PBSA])* to determine an appropriate contribution rate. For this purpose, the plan actuary values both accrued assets and benefit obligations to the financial statement date, as well as contributions and benefits for future service. The most recent valuation for funding purposes was prepared by Willis Towers Watson as of December 31, 2013 and a copy of this valuation is filed with the British Columbia Pension Standards Branch.

The valuation on a going concern basis disclosed an actuarial surplus of \$26.5 million as at December 31, 2013 (2010: \$9.9 million). The solvency valuation as at December 31, 2013 resulted in a solvency deficiency of \$41.9 million (2010: \$33.0 million), which, under the *PBSA Regulation*, must be amortized over a period of five years, unless an extension is granted, or a letter of credit is secured in lieu of making the payments. The University has arranged a letter of credit to secure the solvency deficiency payment.

The next required valuation will be as at December 31, 2016, completed in 2017.

December 31, 2015 (expressed in \$000's)

9. Supplementary retirement benefit account

The Supplementary Retirement Benefit Account is a reserve to provide pensioners who have reached age 66 with increases that are supplemental to the increases provided under the Basic Plan (Note 1(f)). Supplementary increases are authorized by the Staff Pension Plan Investments and Administration Committee in consultation with the plan actuary and are subject to the availability of funds in the Supplementary Retirement Benefit Account. The increases are limited so that the total increase in any one year from the combined basic and supplementary provisions does not exceed the increase in the Canadian CPI.

10. Related party transactions

Administrative costs of \$217 (2014: \$209) represent a portion of the general administration costs incurred by the University and charged to the Pension Plan. The costs include salaries for the Pension Office and other operating and administrative costs.

11. Risk management

The Plan's investments are recorded at fair value. Other financial instruments consist of cash, receivables, and payables and accruals. The fair value of these financial instruments approximates their carrying values. Fair values of investments are exposed to price risk, liquidity risk and credit risk.

Price risk

Price risk is comprised of currency risk, interest rate risk, and market risk.

<u>Currency risk</u>: Currency risk relates to the possibility that the investments will change in value due to future fluctuations in US, Euro and other international foreign exchange rates. For example, a 5% strengthening (weakening) of the Canadian dollar against foreign currencies at December 31, 2015 would have decreased (increased) the value of foreign equities and infrastructure investments by approximately \$4.7 million (2014: \$4.2 million).

Currency risk associated with foreign equities may be hedged at the discretion of the Global Equity Manager, BC Investment Management Corporation, in order to protect the value of foreign equity investments from the impact of an appreciating Canadian dollar (relative to the foreign currency).

The Fixed Income Manager, the Foreign Equity Manager and the Infrastructure Manager will (or may) purchase securities denominated in foreign currencies. The Investments and Administration Committee may give discretion to a manager to hedge some or all of its foreign currency exposures. The Committee will make such direction for either defensive or strategic reasons.

December 31, 2015 (expressed in \$000's)

11. Risk management (continued)

Price risk (continued)

Interest rate risk: Interest rate risk relates to the possibility that the investments will change in value due to future fluctuations in market interest rates and that pension liabilities are exposed to the impact of changes in long term market interest rates. Duration is an appropriate measure of interest rate risk for fixed-income funds as a rise in interest rates will cause a decrease in bond prices – the longer the duration, the greater the effect. At December 31, 2015, the average duration of the bond portfolio was 7.40 years (2014: 7.22 years). Therefore, if interest rates were to increase by 1%, the value of the bond portfolio would drop by 7.40% (2014: 7.22%).

Market risk: Market risk relates to the possibility that the investments will change in value due to future fluctuations in market prices. This risk is reduced by the investment policy provisions approved by the Board of Governors for a structured asset mix to be followed by the investment managers, the requirement for diversification of investments within each asset class and credit quality constraints on fixed income instruments. Market risk can be measured in terms of volatility, i.e., the standard deviation of change in the value of a financial instrument within a specific time horizon. Based on the volatility of the Plan's current asset class holdings shown below, the expectation is that over the long-term, the Plan will return around 5.7% (2014: 5.7%), within a range of +/- 8.5% (i.e., results ranging from -2.8% to 14.2%). The volatility measures are calculated as average annual standard deviations over 20 years.

Price risk (continued)

Price risk (continued)		Estimated volatility %
Short-term holdings Bonds Canadian equities Foreign equities Real estate Infrastructure		+/- 1.9 +/- 5.1 +/- 21.1 +/- 17.5 +/- 10.1 +/- 17.6
Benchmark for investments	% change	Net impact on market value (in thousands)
FTSE TMX Canada 91-day Treasury Bill Index FTSE TMX Canada Universe Bond Index S&P/TSX Capped Composite Index MSCI World ex-Canada Net Index Canadian Consumer Price Index (real estate) Canadian Consumer Price Index (infrastructure)	+/- 1.9 +/- 5.1 +/- 21.1 +/- 17.5 +/- 10.1 +/- 17.6	+/- 30 +/- 4,549 +/- 5,858 +/- 13,692 +/- 2,298 +/- 2,815

December 31, 2015 (expressed in \$000's)

11. Risk management (continued)

Liquidity risk

Liquidity risk is the risk of being unable to generate sufficient cash or its equivalent in a timely and cost effective manner in order to meet commitments as they come due. The primary liabilities in the Plan are future benefit obligations (Note 6) and operating expenses. Liquidity requirements are managed through income generated by monthly contributions and investing in sufficiently liquid (eg. publicly traded) equities, pooled funds and other easily marketable instruments.

Credit risk

Credit risk relates to the possibility that a loss may occur from failure of a fixed income security issuer or derivative contract counter-party to meet its debt obligations. At December 31, 2015, the maximum risk exposure for this type of investment is \$98,478 (2014: \$87,897).

The Plan limits the risk in the event of non-performance related to derivative financial instruments by dealing principally with counter-parties that have a credit rating of A or higher as rated by the Dominion Bond Rating Service or equivalent.

The following shows the percentage of fixed income holdings in the portfolio by credit rating:

Rating	Allocation
Cash and short-term securities AAA	6.0% 22.6%
AA	33.9%
A	13.4%
BBB	16.1%
BB and below	1.1%
Mortgages	<u>6.9%</u>
Total	100.0%

December 31, 2015 (expressed in \$000's)

12. Capital disclosures

The purpose of Plan is to provide benefits to plan members. As such, when managing capital, the objective is to preserve assets in a manner that provides the Plan with the ability to continue as a going-concern. With the assistance of an outside consultant, the Plan's Investments and Administration Committee and Pension Office regularly monitor the asset mix to ensure compliance with the Statement of Investment Policies and Goals so that both immediate and long-term obligations can be met within an acceptable level of risk. An Asset-Liability Modeling Study (ALM) was also completed in 2012 for the purpose of determining a strategic asset mix that meets the objectives of the Plan given its underlying liability structure. The results of the study are being used in the development of a strategic asset mix that meets the objectives of the Plan.

The Plan is also subject to the *Pension Benefits Standard Act* (BC) regulations, which require that solvency and going concern actuarial valuations are performed every three years, at which time the Plan must take measures to eliminate any funding deficiencies that may arise.

13. Comparative figures

Comparative figures have been adjusted to conform to changes in the current year presentation.



SUBMISSION TO THE UVIC BOARD OF GOVERNORS

FOR INFORMATION

To: FINANCE COMMITTEE

From: VICE-PRESIDENT FINANCE AND OPERATIONS

cc: President and Vice-Chancellor

Meeting Date: May 31, 2016

Subject: University of Victoria Staff Pension Plan

Compliance Report for the Year Ended December 31, 2015 from the Staff

Pension Plan Governance Committee

Basis for Jurisdiction:

University of Victoria Staff Pension Plan Governance Policy Section I.1.(a)(i)

Strategic Relevance:

One of the pillars of the strategic plan is that we will attract and retain a diverse group of exceptionally talented faculty and staff. Part of attracting and retaining faculty and staff is a strong benefits package. Pension is a critical part of any compensation package and as such its good governance of the plans is important. As well, this policy is required in order to remain in compliance with statutory requirements under provincial law.

Background:

The attached table summarizes the fund's compliance with the primary requirement of the *Pension Benefits Standards Act* (BC), the *Family Law Act* (BC), the *Statistics Act* (Canada) and the *Income Tax Act* (Canada)

Compliance Report – University of Victoria Staff Pension Plan for the Year Ended December 31, 2015

(excludes requirements relating to investment of the fund)

	Summary of primary requirements	Complies (yes/no)	Comments
Δnr	nual returns	(yes/no)	
•	File Pension Standards "Pension Plan Annual Information Return" and CRA "Schedule 1" within 180 days after the end of the fiscal year (includes statement that certifies compliance with the relevant statutes)	yes	
•	Pay filing fees of \$6.15 for each active member and \$4.50 for each inactive member	yes	
•	File audited financial statements with Pension Standards within 270 days after end of fiscal year	yes	
	ollment of new members		
•	Enroll all regular continuing members Provide option to all other eligible employees with earnings, in each of 2 consecutive calendar years, not less than 35% of the Year's Maximum Pensionable Earnings.	yes yes	No eligible employees in this category
•	Provide new members with plan summary within 30 days of employment or, if enrolment is not immediate, at least 30 days before meeting eligibility.	yes	Information is currently in the employee benefit handbook and an additional separate Staff Pension Plan handbook is also available
Rer	nitting of Contributions		
•	Within 30 days of end of month	yes	A1
	nual statement to Members		Also provide annual report to members with annual
•	Content meets regulatory requirements Issue within 180 days after end of fiscal year	yes yes	statement.
Anr	ual statement to Retired Members		New requirement under PBSA.
•	Content meets regulatory requirements	yes	
•	Issue within 180 days after end of fiscal year	yes	'Annual report to members' provides required generic (non-member-specific) information. (DOB - to be included in Annual report cover letter and going forward on statement to be sent December 2016.) Annual 'pension increase and
			confirmation of pension information' statements sent each December for individual Retired Members contain rest of requirements

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		C1:	
Summary of primary requirements		Complies (yes/no)	Comments
Statement on termination of membership			
 Content meets regulat 	ory requirements	yes	
 Issue within 60 days a 	fter termination of	yes	
employment			
 Allow a minimum of 90 days for member to 		yes	Regular audits are also
exercise option			performed to flag and follow up
cherence cpiner.			on terminated members for
			whom Advice of Separation has
			not been received.
Retirement Statement			
 Content meets regulat 	ory requirements	yes	
Issue on or before the			
	receipt of request or 120 days before		
pension commenceme		yes	
Statement on death before pension			
commencement	•		
 Content meets regulat 	Content meets regulatory requirements		
Issue within 60 days o		yes yes	
death			
	Payment of Termination Benefits		
Pay within 60 days of		yes	
documentation	roosipt of all roquirou	, , ,	
Recalculate commuted	d value if more than	yes	
	180 days has elapsed from effective date		
of calculation	Thom oncoure date		
Pension Adjustments (PAs)			
Report to Payroll by mid-February for		yes	
inclusion on employee		,	
Pension Adjustment Rever			
1	 Report PARs to CRA within 60 days of quarter end, except for the 4th quarter, 		
·			
which is reported withi			
end			
Past Service Pension Adju	stments		There are no purchase of
Report to CRA as they		n/a	service provisions in the Staff
	G		Plan
Retain a member's full hist	ory for at least 6	yes	
years after the final transaction			
Spousal waivers			
Ensure waiver is on file	e for members who	yes	
have a spouse and wh	o designate	,	
someone other than a	•		
beneficiary	•		
Ensure waiver is completed no more than		yes	
90 days before retirement for members who			
select an option that p			
60% spousal survivor			
Ensure waivers were v		yes	
been signed outside p	•		

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Summary of primary requirements	Complies (yes/no)	Comments		
Family Law Act				
 Acknowledge forms within 30 days of receipt 	yes			
Provide information within 60 days of receipt	yes			
Provide limited members with 30 days' notice of transactions affecting the pension (e.g., retirement of member)	yes			
Provide annual statements to limited members	yes	Statements are provided to limited members upon request		
Statistics Canada				
Complete biennial "Census of Trusteed Pension Plans" by May 1st	yes	Latest census completed for December 31, 2014		
Actuarial valuation report				
At intervals not exceeding 3 years, or upon request	yes	The last actuarial valuation was performed as at December 31,		
File within 270 days of review date	yes	2013		



SUBMISSION TO THE UVIC BOARD OF GOVERNORS

FOR INFORMATION

May 16, 2016

To: Audit Committee

From: Dr. David Castle, Vice-President Research

cc: President and Vice-Chancellor

Meeting Date: Monday, May 30, 2016

Subject: Guidelines for the Proper Management of Research Information Systems

Basis for Jurisdiction: University Act, Section 27

Previous Consultation: Board of Governors, Audit Committee meeting on 25 January 2016. The attached guidelines were developed by the Research Computing Advisory Committee in consultation with University Systems and the Internal Auditor.

Background: At the request of the Office of the Vice-President Research, Internal Audit undertook a review of research data management practices on campus. Three areas were audited: an individual researcher employing health related data, ONC due to the large volume of data that unit handles and the Centre on Aging audited as representative of research centres and in particular because of having a branch office off-campus, in Ladner. All three volunteered for the audit and were not chosen for reasons of particular concern. Internal audit identified a need for better dissemination of guidelines for the proper management of research information systems.

Summary: Internal Audit developed a detailed and comprehensive document *Guidelines from Internal Audit's Recent Reviews of Research Data Information Vulnerability Assessments.* The Research Computing Advisory Committee (co-chaired by the Assoc. Vice-President Research and the Dean of Engineering) felt that a summary document referencing the full document would be more accessible to the research community. The attached *Guidelines for the Proper Management of Research Information Systems: A Summary* were developed with the agreement and advice of the Internal Auditor.

Planned Further Action: The summary of guidelines with a link to the full Internal Audit document will be posted on:

- the Conduct Your Research page of the Office of Research Services web site which is accessible from the Research tab on the standard UVic web page header;
- on the Research Computing page of the University Systems web site.

The advice of Graduate Studies will be sought how to best make the guidelines available to all current graduate students and to new graduate students on an ongoing basis.

The Office of Research Services will make the guidelines available to all current postdoctoral fellows and to new postdoctoral fellows on an ongoing basis.

The guidelines will be distributed to Deans and Chairs for dissemination in their units.

Attachment(s): Guidelines for the Proper Management of Research Information Systems: A Summary

Guidelines for the Proper Management of Research Information Systems: A Summary

University of Victoria May, 2016

This summary outlines the key challenges and responsibilities in the proper management of research information systems, particularly research information stored on electronic devices. Individuals responsible for electronic research information and principal investigators designing a research project employing information technology are advised to refer to the document *Guidelines from Internal Audit's Recent Reviews of Research Data Information Vulnerability Assessments*.

1. Basic Principles

- Information, a primary outcome of research, is valuable
- Technology can be replaced information may be irreplaceable
- Information management is primarily the responsibility of the principal investigator(s) for a research project and, when applicable, the leader of a unit overseeing multiple research projects.

2. Responsibilities

Areas of direct PI and unit leader responsibility

- Communicating IT Management Aims and Direction: The nature and extent of IT guidance and the information requirements and structure within a project or unit should be formally documented and communicated to stakeholders.
- Assessing and Managing IT Risks: The nature of how individual projects may impact the IT risk within the unit and the university should be considered.
- Specialized Requirements: Where there is a need for the acquisition or custom development of new IT information systems or applications, PI's and unit leaders, working with University Systems as appropriate, should conduct sufficient analysis and document the work to ensure that operational requirements will be satisfied in an effective and efficient manner.
- Ensuring Compliance with External Requirements: Pl's are responsible for ensuring the compliance of their research projects with external requirements. Such external requirements may include, but are not limited to, ethical and regulatory requirements, contractual data sharing obligations, granting agency requirements, and legislation such as the Freedom of Information and Protection of Privacy Act (FOIPPA).
- 2.2 Areas of shared responsibility between PI, unit and other units and individuals such as those identified in section 4
 - Ensuring Continuous Services (Continuity Planning): All areas of the university
 are responsible for taking steps to ensure continuity or resumption of services and
 projects after a disruptive event. IT continuity plans should include provisions for
 offsite backup storage, information recovery and periodic continuity training.
 - Defining IT Processes, Organization and Relationships: Where a research
 project involves the creation or management of IT infrastructure, then the related IT
 organization is fully documented.

- Managing IT Human Resources: Where a research project involves recruiting staff to fill IT support positions, the hiring process should be formal, in accordance with appropriate hiring practices, and focused on ensuring that IT staff are appropriately and formally trained and qualified to perform the responsibilities of the role.
- Acquiring Information Technology and Application Software: Where there is a
 need for the acquisition or custom development of new IT or application software,
 the acquisition process should take into account appropriate application and
 security controls developed with appropriate consultation with Purchasing,
 University Systems and Office of Research Services. Attention must be paid to any
 information privacy requirements. University procurement procedures must be
 followed for all purchases.
- Managing Information: Effective data and information management requires identifying data requirements, both short and longer term. The data management process includes the establishment of effective procedures to manage the information, backup and recovery of data, and proper disposal when appropriate and/or required.
- Ensuring Systems Security: Maintaining the integrity of information and protecting IT assets must include performing security monitoring and periodic testing and implementing corrective actions for identified security weaknesses or incidents.
- Managing the Physical Environment: The physical environment should be such that it provides for the effective operation of IT infrastructure and security of research information.
- Monitoring and Evaluating IT Performance: The effectiveness of IT should be assessed periodically to ensure a project or multiple projects in a unit are operating as planned and within the appropriate guidelines and requirements as outlined above.
- Providing IT Governance: Larger units managing multiple IT projects should consider establishing an IT management structure to provide coordination in an efficient and effective manner.
- Managing Change: Change including emergency maintenance and patches, relating to infrastructure and applications should be managed to mitigate the risk of negatively impacting the IT environment in a project or unit.

3. Research Continuity Planning

Research continuity planning is intended to ensure that your research will either continue to operate despite serious IT related incidents or disasters that might otherwise have interrupted them, or will be recovered to an operational state within a reasonably short period. When planning research continuity, the following should be considered:

- Potential risks and impacts
- Alternative processing
- Backup and offsite capability
- Roles and responsibilities of individuals within the project or unit
- Communications
- Alternative resources
- Recovery and resumption
- Testing

Details on Business Continuity Planning at the university can be obtained by viewing the Business Continuity Planning website http://www.uvic.ca/financialplanning/risk/businesscontinuity/index.php

4. University Support Contacts

There is a large number of supports available on campus for assisting in proper information system, information and data management, including:

Business Continuity Planning: For guidance on business continuity planning, contact Risk and Insurance. Email: **bmcallis@uvic.ca.** Web: http://www.uvic.ca/financialplanning/risk/businesscontinuity/index.php.

Business Requirements Definitions (BRD): For guidance in the development of a BRD, contact the University Systems Project Management Office. Email: systemspmo@uvic.ca, Web: http://www.uvic.ca/systems/about/projectmanagement/index.php.

Change Advisory Board (CAB): For projects or departments managing their own applications and infrastructure, the University Systems CAB can be contacted and a copy of the methodology requested as a basis for establishment of a change management framework. For further information, contact the Manager of the Help Desk, Marcus Greenshields (mgreens@uvic.ca), at University Systems, Academic and Admin Services, Local 7228. Further information is also available through the Computer Help Desk.

Chief Information Officer (CIO), University Systems: Email: cio@uvic.ca, Phone: 250-721-7649

Computer Help Desk: The Computer Help Desk is the main conduit for contacting services and support personnel within University Systems. Email: helpdesk@uvic.ca, Phone: 250-721-7687, Web: http://www.uvic.ca/systems/services/contact/index.php.

Data Centre Server Hosting/Storage: Further information relating to data centre server hosting is available through the University Systems service catalogue. Web:

http://www.uvic.ca/systems/services/researchcomputing/index.php,

http://www.uvic.ca/systems/services/researchcomputing/storage/index.php.

Desktop Support Services (DSS): DSS can be contracted to provide on-site desktop support to faculty and staff, which includes adoption of standard security practices (including encryption) for all managed desktops. Web: http://www.uvic.ca/systems/about/clientservices/desktopsupport/index.php. Further information is also available through the Computer Help Desk.

Facilities Management: Assistance on the establishment (construction) of physical facilities can also be obtained from Facilities Management. Phone: 250-721-7591, Fax: 250-721-8999, Web: http://www.uvic.ca/facilities/.

General Counsel: Assistance and support on NDAs, escrow agreements and other legal aspects of third party management can be requested from the university General Counsel, Mr. Don Barnhardt. Email: gencouns@uvic.ca, Phone: 250-721-7985, FAX: 250-721-6677.

Human Resources Consultants (HRC's): In the event that Research Divisions are not using University Systems, the division should be consulting with an HRC in order to ensure a formal recruitment process is followed. Web: http://www.uvic.ca/hr/contact/index.php.

Internal Audit (IA): IA is available to provide advice and answer general questions on best practices relating to risks and controls. The university's Senior IT\Internal Auditor, Graham Tranter, is a good first point of contact for IT related risk and control questions. Email: gtranter@uvic.ca, Phone: 250-853-3185, General Office Phone: 250-472-5282. Web: http://web.uvic.ca/inta/.

Information Security Office (ISO): The ISO is accountable for implementing policies and procedures to minimize information security risks and responding to security incidents when they occur. For further information or advice on information security, contact the ISO via the University Systems Computer Help Desk. Web: http://www.uvic.ca/systems/services/informationsecurity/index.php.

Office of Research Services (ORS): ORS encourages departments and researchers to utilize University Systems for support and in cases where outside support is acquired, the researcher or department is encouraged to engage the Office of Research Services. Web: http://www.uvic.ca/research/learnabout/home/about/index.php.

Privacy Office: Advice and guidance on information privacy, privacy impact assessments, and answers to any specific questions on FOIPPA legislation is available from Bill Trott, Chief Privacy Officer in the Privacy Office. Email: cpo@uvic.ca Phone: 250-853-3609, Fax: 250-721-6223, Web: http://www.uvic.ca/universitysecretary/privacy/contactus/index.php.

Project Management Office (PMO): For support, services or guidance in the development of an overall project involving application acquisition or development, contact the University Systems PMO. For more information about training and Project Management Methodology 5, contact the Project Management Process Manager. Email at systemspmo@uvic.ca, Web:

http://www.uvic.ca/systems/about/projectmanagement/index.php. UVic Online (UVON) is also able to assist departments in the design and development of custom applications to support teaching, research, or administration on a project basis. Information is also available at the Computer Help Desk.

Purchasing Services: Information on the various procurement processes and mechanisms for the selection of vendors, setup of contractual arrangements, and the acquisition itself, is available directly from Purchasing

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Services. Email: purchase@uvic.ca, Phone: 250-721-8326, Fax: 250-721-8327, Web: (http://www.uvic.ca/purchasing/home/contact/index.php).

Risk Management: Advice and guidance on risk management, the university risk management framework, can be obtained by contacting the Risk and Insurance Analyst in the Budget and Capital Planning office. Ben McAllister, Email: bmcallis@uvic.ca, Phone: 250-853-3759. Web: (http://web.uvic.ca/vpfin/financialplanning/risk/riskindex.htm#ra).

Technology Solutions Centre (TSC): Assistance is also offered for acquisitions of desktops, laptops, tablets, phones (even customized) through the Technology Solutions Centre. To arrange for a computer hardware consultation, email tsc@uvic.ca, call 250-853-3572, or drop by the TSC in Clearihue C143. Web

http://www.uvic.ca/systems/services/computerssoftware/technologysolutions/index.php, http://www.uvic.ca/systems/support/computerssoftware/technologysolutions/index.php

University Systems: In many cases, research projects can take advantage of central IT products and services offered by University Systems. A good first point of contact is the Computer Help Desk. Email helpdesk@uvic.ca, Phone: 250-721-7687, Web: http://www.uvic.ca/systems/services/contact/index.php.



SUBMISSION TO THE UVIC BOARD OF GOVERNORS

FOR INFORMATION

May 12, 2016

WAC

To: Operations and Facilities Committee

From: David Castle, Vice-President Research

cc: Jamie Cassels, President and Vice-Chancellor

Meeting Date: May 30, 2016

Subject: Annual report on University of Victoria approved Research Centres

Basis for Jurisdiction: Establishment and Review of Research Centres RH8300

Previous Consultation:

Board of Governors - BOG-May27/14-22 Executive Council – July 9, 2014 Board of Governors - BOG-Sept30/14-28 Senate – May 1, 2015 Board of Governors – BOG-June29/15-01 Senate – May 6, 2016

Background:

At the September 29-30, 2014 meeting of the Board of Governors, a new way of reporting UVicapproved research centre establishment, renewal and closure was proposed and approved. The new reporting process was initiated to realign practices with procedure, and to give Board members an annual overview of research centre activity. It was agreed that the Vice-President Research report annually to the Senate (in May) and the Board of Governors (in June) on the establishment, renewal and closure of UVic-approved research centres, rather than doing so on an ad-hoc basis.

The 2015-2016 annual report is appended (Attachment A) for the information of Board members, along with the approval authorities (Attachment B) and list and description of current centres (Attachment C).

Planned Further Action:

Continue to report on an annual basis to the May or June BOG meeting.

Attachment(s):

- 2015-16 Annual Report on the establishment and renewal of UVic-approved research centres
- Approval levels for the establishment, renewal and closure of UVic-approved research centres
- Background information on UVic-approved research centres

ANNUAL REPORT TO BOARD OF GOVERNORS 2015-16

Establishment, renewal and closure of UVic-approved research centres

The purpose of this annual report is to provide the Board of Governors with information about the establishment, renewal and closure of UVic-approved centres.

ESTABLISHMENT OF NEW RESEARCH CENTRES

No new research centres were established in the 2015-2016 academic year

REVIEW OF EXISTING CENTRES

Inter-institutional

No inter-institutional research centres were reviewed in the 2015-16 academic year.

Multi-faculty

Centre for Studies in Religion and Society (CSRS)

At the 5 February 2016 meeting of Senate, on the recommendation of the Senate Committee on Planning, the renewal of CSRS from 21 April 2016 through 20 April 2021 was approved.

Centre for Asia Pacific Initiatives (CAPI)

At the May 6 meeting of Senate, on the recommendation of the Senate Committee on Planning, the renewal of CAPI from July 1 2016 to June 30 2021 was approved.

Centre for Advanced Material and Related Technologies (CAMTEC)

A very positive review panel report has been received and a recommendation to renew CAMTEC effective Oct. 1, 2016 was considered by the Senate Committee on Planning on May 11, and the recommendation for renewal of the centre will be considered at the Oct. 7, 2016 meeting of Senate.

Inter-faculty

No inter-faculty research centres were reviewed in the 2015-16 academic year.

Intra-faculty

Centre for Social and Sustainable Innovation (CSSI)

Based on a review undertaken by the Dean of Business and his positive recommendation, the Vice-President Research approved the renewal of CSSI for a five year term beginning January 1, 2016.

Victoria Subatomic Physics and Accelerator research centre (VISPA)

Based on the recommendation of the Acting Dean of Science, the Vice-President Research approved the extension of the approved status of VISPA to June 2017 to allow time for Dean Lipson to establish and complete a review of VISPA on his return from administrative leave.

MAJOR CHANGES TO EXISTING RESEARCH CENTRES

Centre for Aboriginal Health Research (CAHR)

At the 5 February 2016 meeting of Senate, on the recommendation of Senate Committee on Planning, the expanded scope for the Centre for Aboriginal Health Research and renaming as the Centre for Indigenous Research and Community-Led Engagement (CIRCLE) in effect until May 31, 2018, was approved. While continuing research in health, CIRCLE will support inter-disciplinary research building on current indigenous research across UVic and will promote new initiatives.

Centre on Aging (COAG)

At the 10 April 2016 meeting of Senate, on the recommendation of Senate Committee on Planning, the renaming of the Centre on Aging as the Institute on Aging and Lifelong Health (IALH) in effect until May 31, 2019 was approved.

DISESTABISHMENT / CLOSURE OF EXISTING RESEARCH CENTRES

Multi-faculty

Centre for Cooperative and Community Based Economy (CCCBE)

Reason for disestablishment: After an extended attempt to identify appropriate leadership for CCCBE, the Vice-President Research acted on the recommendation of the external review panel to disestablish the centre and has taken measures to phase-out the centre's activities by using centre carry-forward funds, with the permission of the donor, for a one-time competition to support cooperative and community-based economy research at UVic. Those funds have been allocated and projects are underway. A formal recommendation to disestablish CCCBE will be submitted to the Senate Committee on Planning in Fall 2016.

Centre for Early Childhood Research and Policy (CECRP)

Reason for disestablishment: On Oct. 1, 2015, the CECRP Executive advised the Vice-President Research that CECRP would not be seeking renewal as an approved research centre. The Vice-President Research accepted that decision. Plans are in place to wind up existing CECRP research commitments by July 2016.

Inter-faculty

Institute for Studies and Innovation in Community-University Engagement (ISICUE) Reason for closure: In 2016 the Deans of the Faculties of Human and Social Development and Social Sciences recommended, under the authority granted in policy RH8300, not to renew the centre status of ISICUE, effective March 31 2016. The VPR accepted that recommendation. A number of the activities of ISICUE are transitioning to the Office of Community University Engagement (OCUE).

Intra-faculty

Centre for Advanced Security, Privacy, and Information Systems Research (ASPIRe) Reason for closure: In 2015 the Dean of the Faculty of Engineering decided, under the authority granted in policy RH8300 not to renew the centre status of ASPIRe.

UVIC-APPROVED RESEARCH CENTRES

Approval levels for establishment, renewal and closure (as required by policy/procedures RH8300)

		ACTIONS						
Establishment of new centres	Dean(s)	VPR	SCP	Senate	BOG			
Inter-institutional	consult	recommend	recommend	recommend	approve			
Multi-faculty	consult	recommend	recommend	approve	information			
Inter-faculty	recommend	approve	information	information	information			
Intra-faculty	approve	information		information	information			
Renewal/closure/disestablishment of existing centres								
Inter-institutional	consult	recommend	recommend	recommend	approve			
Pacific Institute for Climate Solutions (PICS)								
Multi-faculty	consult	recommend	recommend	approve	information			
Centre for Addictions Research BC (CARBC)								
Centre for Advanced Materials and Related Technology (CAMTEC)								
Centre for Asia Pacific Initiatives (CAPI)								
<u>Centre for Biomedical Research</u> (CFBR)								
Centre for Co-operative and Community-Based Economy (CCCBE)								
Centre for Global Studies (CFGS)								
Centre for Indigenous Research and Community-Led Engagement (CIRCLE)								
Centre for Studies in Religion and Society (CSRS)								
Centre for Youth and Society (CFYS)								
Institute for Integrated Energy Systems(IESVic)								
Institute on Aging and Lifelong Health (IALH)								
Inter-faculty	recommend	approve	information	information	information			
None at present								
Intra-faculty	approve	information		information	information			
Astronomy Research Centre (ARC)	oppro - C							
Centre for Forest Biology (FORB)								
Centre for Social and Sustainable Innovation (CSSI)								
Victoria Subatomic Physics and Accelerator research centre (VISPA)								

BACKGROUND INFORMATION ON UVIC-APPROVED RESEARCH CENTRES

UVic Research centres are organizations made up of a group of faculty members who collaborate on an area of research. Their work provides added value over and above their individual research programs. UVic encourages the establishment of research centres that will enhance and facilitate disciplinary and interdisciplinary research collaboration, knowledge transfer and training. At UVic, the purposes of establishing a Research Centre are listed in the policy on Establishment and Review of Research Centres (and Associated Procedures) RH8300, and include:

- a. Promote and facilitate collaborative and/or interdisciplinary research and enhancement of research networking capacity and infrastructure.
- b. Increase and effectively manage the resources and research support for its members and the wider university community.
- c. Provide education and training in research and related skills, especially for graduate and undergraduate students and thereby enhance the academic programs of their constituent academic units.
- d. Contribute to the university's strategic educational and research missions and to support synergies between research, teaching and learning.
- e. Transfer and mobilize knowledge gained through research for the benefit of society, via a variety of mechanisms as appropriate.
- f. Enhance the reputation of its members, the constituent academic units, and the university through the quality of its work.

UVic currently has 15 research centres, 11 of which report to the Vice-President Research (currently delegated to the Associate Vice-President Research) and the rest reporting to a Dean or Deans. http://www.uvic.ca/research/learnabout/centres/index.php

The administrative requirements, approval and renewal processes, breadth of activities, and other aspects of Research Centres occur along a continuum that is proportionate to the breadth of their academic constituencies. This proportionality is primarily based on the location of the majority of the membership and activities of the centre and approximately parallels a department-faculty-university structure. Information about the UVic-approved research centres is listed under their categories below:

INTER-INSTITUTIONAL - membership and activities between multiple universities

Pacific Institute for Climate Solutions (PICS)

Date of establishment: 11 March 2008 Name of Director: Dr. Sybil Seitzinger

The mission of PICS is to partner with governments, the private sector, other researchers and civil society, in order to undertake research on, monitor, and assess the potential impacts of climate change and to assess, develop and promote viable mitigation and adaptation options to better inform climate change policies and actions.

MULTI-FACULTY - membership and activities normally between 3 or more faculties

Centre for Addictions Research BC (CARBC)

Date of establishment: 1 April 2003 Name of Director: Dr. Tim Stockwell

CARBC's mandate involves the study of psychoactive substance use, with particular attention to the exploration of ways to minimize negative impacts on individuals and society. Substance use, like other human behaviours, is influenced by multiple factors: personal, social and environmental. Effectively

addressing the negative impacts requires understanding the various factors that influence substance use and that contribute to the differential impact of that use (positive or negative).

Centre for Advanced Materials and Related Technology (CAMTEC)

Date of establishment: 1 November 1992 **Name of Director**: Dr. Alexandre Brolo

CAMTEC is a research centre committed to interdisciplinary work on advanced materials and technology. CAMTEC's objectives are to carry out fundamental and applied research in advanced materials, to train technical and academic personnel in these areas, and to disseminate the knowledge gained from the research through scientific publications, conferences, workshops and seminars.

Centre for Asia Pacific Initiatives (CAPI)

Date of establishment: 1 April 1989

Name of Director: Dr. Andrew Marton (interim)

The Centre's primary mandate is to conduct and facilitate research on policy issues related to the Asia-Pacific region. In addition, the Centre serves as a regional research facility to the University and to the larger community.

Centre for Biomedical Research (CFBR)

Date of establishment: 1 January 2002

Name of Director: Dr. Paul Zehr

The Centre for Biomedical Research (CBR) is a collaborative group of scientists and clinicians who are investigating a number of important biomedical problems. The CBR is a multidisciplinary unit with an emphasis on genetics, molecular biology, and biotechnology. The centre was created to promote interdisciplinary basic and translational biomedical research.

Centre for Global Studies (CFGS)

Date of establishment: 1 July 2000 Name of Director: Dr. Oliver Schmidtke

CFGS is committed to fostering reflection on the complex array of social forces associated with an increasingly interconnected world characterized by new forms of economic activity, artistic production, politics, media, nationalism, ethnicity, spirituality and community that increasingly transcend local, national and regional boundaries.

Centre for Indigenous Research and Community-Led Engagement (CIRCLE) - formerly CAHR

Date of establishment: 1 June 2008 **Name of Director**: Dr. Charlotte Loppie

The mandate of CIRCLE involves providing opportunities for collaborative Indigenous research development and implementation as well as capacity development and support for diverse Indigenous and allied research partners. The centre also facilitates and supports the development, implementation and utilization of Indigenous research that is interdisciplinary, inter-institutional, and community-led.

Centre for Studies in Religion and Society (CSRS)

Date of establishment: 1 April 1991 Name of Director: Dr. Paul Bramadat

The Centre for Studies in Religion and Society (CSRS) is a leading centre in Canada for scholarly interdisciplinary research on topics at the intersection of religion and public life. We host several national public policy research networks, sponsor visiting fellowships for senior and junior scholars and members of the community, and produce a dynamic annual program of public lectures and seminars.

Centre for Youth and Society (CFYS)

Date of establishment: 1 April 2002 Name of Director: Dr. Anne Marshall Youth & Society aims to promote the well-being of youth from diverse social, economic, and ethnic backgrounds, across developmental transitions, and in evolving societal circumstances. The core mandate of the Centre is to promote research and action that contribute to the well-being of youth.

Institute on Aging and Lifelong Health (IALH) – formerly COAG

Date of establishment: 1 May 1993 **Name of Director**: Dr. Scott Hofer

The Centre's mandate is to promote and conduct basic and applied research throughout the lifespan. Research is conducted in partnership with seniors, their families, organizations, health care providers, and the government. The research conducted includes needs assessments and social surveys, experimental research, program evaluations, development of clinical diagnostic tools, and social policy research; some of which is conducted using the Survey Research Centre.

Institute for Integrated Energy Systems (IESVic)

Date of establishment: 1 February 1994

Name of Director: Dr. Peter Wild

The Institute for Integrated Energy Systems at the University of Victoria (IESVic) is unique in its big picture approach to sustainable energy research. Collaboration between mechanical engineers, economists and environmental scientists is the norm rather than the exception. Students get hands-on experience, examining entire sustainable energy systems – from harnessing, storing and converting energy sources to delivering end-user services.

INTER-FACULTY - membership and activities normally between 2 faculties

None at present.

INTRA-FACULTY - membership and activities normally within a single department, a non-departmentalized Faculty, or between departments in a single faculty

Astronomy Research Centre (ARC) Date of establishment: 1 April 2015

Faculty: Science

Name of Director: Dr. Kim Venn

ARC brings together world-renowned researchers with the expertise to answer many basic questions about our universe. UVic scientists work closely with colleagues at the nearby NRC Herzberg Astronomy and Astrophysics centre and at the TRIUMF Laboratory in Vancouver to form one of the largest concentrations of astronomy talent in Canada. Members are engaged in research ranging from observational planetary and stellar astrophysics, to computational astrophysics and cosmology, and observational galactic and extra-galactic astronomy. ARC is also involved in the development of some of the next-generation astronomical facilities, including the Thirty Meter Telescope, and leading edge technologies such as high contrast imaging and adaptive optics.

Centre for Forest Biology (FORB)

Date of establishment: 10 December 1990

Faculty: Science

Name of Director: Dr. Peter Constabel

The Centre for Forest Biology carries out fundamental and applied research in forest biology, and trains graduate students and postdoctoral fellows. Our research projects emphasize the adaptations of trees and their interactions with the environment. The Centre is now embarking on a major research and training initiative, the NSERC CREATE Program in Forests and Climate Change, which supports graduate students for research on the interaction of trees and forests with climate change, including carbon sequestration.

Centre for Social and Sustainable Innovation (CSSI)

Date of establishment: January 2011

Faculty: Business

Name of Director: Dr. Monika Winn

The Centre for Social and Sustainable Innovation (CSSI) is powered by the constantly charging battery of action, ideas and research housed at the Peter B. Gustavson School of Business. Our goal is to open a door to the array of resources that help students, faculty and staff incorporate all kinds of sustainability into their studies, careers and lives. Business leaders can learn how our research affects their industries, enlist students for creative sustainability solutions, and speak to our classes about their experiences in the field.

<u>Victoria Subatomic Physics and Accelerator research centre (VISPA)</u>

Date of establishment: January 2011

Faculty: Science

Name of Director: Dr. Dean Karlen

The Victoria Subatomic Physics and Accelerator (VISPA) Research Centre brings together people with the skills and expertise to investigate the fundamental constituents of the Universe. VISPA members work together on leading international particle physics experiments, share computing and laboratory resources, jointly support and manage technical staff, provide a natural home for adjunct faculty from other institutions, and support high quality graduate and post-doctoral training.



SUBMISSION TO THE UVIC BOARD OF GOVERNORS

FOR DECISION

May 17, 2016

To: Operations and Facilities Committee

From: Julia Eastman, University Secretary

cc: President and Vice-Chancellor

Meeting Date: May 30, 2016

Subject: Procedures for Interim Executive Appointments

Basis for Jurisdiction: *University Act*, s. 27(2)(f)-(h)

Procedures of the Board, s. 11

Presidential Appointment Procedures (GV0300), s. 2.00

Vice-Presidential Appointment Procedures (GV0305-0320), s. 2.00 University Secretary Appointment Procedures (GV0325), s. 2.00

Strategic Relevance:

Objective 26: To have in place support services that contribute to the achievement of our strategic goals and to develop our administrative processes and policies so as to effectively meet the accountability and administrative needs of the university.

It is of strategic importance for the university to ensure that the right leadership is in place and ready to be called upon when needed.

Recommendation:

THAT the Operations and Facilities Committee recommend to the Board of Governors that the Board of Governors approve the Procedures for Interim Executive Appointments effective July 1, 2016.

Background:

As Board members may recall, a document on succession planning was prepared for the Board's information last fall. As indicated at the January 2016 Audit Committee meeting, this exercise proved to be useful, not only in compiling and disseminating information about current succession planning practices, but also in that it identified the desirability of formalizing procedures for short-term interim executive appointments during a planned or unplanned absence.

Attached are procedures that fulfill this need. They provide for the appointment of an interim executive officer for up to three months in cases in which a member of the executive is unable to fulfill his or her responsibilities due to illness, vacation, absence or other events. (If an appointment were needed for more than three months, the procedures for appointing an Acting Executive as per the existing university policies and procedures would apply.)

Attachment(s): Procedures for Interim Executive Appointments



Procedures for Interim Executive Appointments

Procedural Authority: Board of Governors Effective date: July 2016

Procedural Officer: President Supersedes:

Last Editorial Change:

Parent Policies:

<u>University of Victoria Procedures for the Search, Appointment, or Reappointment of the</u> President and Vice-Chancellor (GV0300)

<u>University of Victoria Procedures for the Appointment and Reappointment of the Vice-President Academic and Provost (GV0305)</u>

<u>University of Victoria Procedures for the Appointment and Reappointment of the Vice-</u> President Research (GV0310)

<u>University of Victoria Procedures for the Appointment and Reappointment of the Vice-</u> President Finance and Operations (GV0315)

<u>University of Victoria Procedures for the Appointment and Reappointment of the Vice-</u> President External Relations (GV0320)

<u>University of Victoria Procedures for the Appointment of the University Secretary</u> (Registrar) (GV0325)

PURPOSE

1.00. To assign decision making authority and operational responsibility when the University President, a Vice-President, or the University Secretary is unable to fulfill his or her responsibilities due to illness, vacation, absence or other events.

DEFINITIONS

- 2.00. For the purposes of these Procedures:
 - "Interim Executive Officer" means an individual who has been appointed to fulfill the decision making functions and duties of an Executive during a planned or unplanned absence of up to three months, where the incumbent retains the position and yet is unable to fulfill their responsibilities and duties.
 - **"Executive"** means the President, the Vice-Presidents and the University Secretary, as per s. 8 of the Procedures of the Board;

JURISDICTION

- 3.00. Under the *University Act*, s. 27(2), the Board has the power:
 - (f) with the approval of the senate, to establish procedures for the recommendation and selection of candidates for president, deans, librarians, registrar and other senior academic administrators as the board may designate;
 - (g) subject to section 28, to appoint the president of the university, deans of all faculties, the librarian, the registrar, the bursar, the professors, associate professors, assistant professors, lecturers, instructors and other members of the teaching staff of the university, and the officers and employees the board considers necessary for the purpose of the university, and to set their salaries or remuneration, and to define their duties and their tenure of office or employment;
 - (h) if the president is absent or unable to act, or if there is a vacancy in that office, to appoint an acting president;
- 4.00. In the Procedures of the Board, s. 11, the Board delegated to the President or the appropriate Vice-President its authority to make appointments to all positions except the President, Vice-Presidents, University Secretary and Director of Internal Audit.
- 5.00. The Presidential Appointment Procedures state in s. 2.00: "If necessary, the Board will appoint an acting President..."
- 6.00. The vice-presidential appointment procedures state in s. 2.00: "If necessary, the Board will appoint an acting Vice-President ..."
- 7.00. The University Secretary appointment procedure states in s. 2.00: "If necessary, the Board will appoint an Acting University Secretary…"

SCOPE

8.00. This Procedure applies to all members of the Executive.

PROCEDURES

- 9.00. When a member of the Executive is, or is going to be, unable to fulfill his or her responsibilities due to illness, vacation, absence or other events, an Interim Executive Officer will be named. Normally, the Interim Executive Officer will be named prior to the departure of the incumbent.
 - 9.01 In the case of the President:
 - (a) the Vice-President Academic and Provost will be named as Interim President;

- (b) If the Vice-President Academic and Provost is unable to serve as Interim President, then the Vice-President Research will be named as Interim President;
- (c) If the Vice-President Research is unable to serve as Interim President, then the Vice-President Finance and Operations will be named as Interim President; and
- (d) If the Vice-President Finance and Operations is unable to serve as Interim President, then the Vice-President External Relations will be named as Interim President.
- 9.02 In the case of a Vice-President or the University Secretary, the President will approve the Interim Executive Officer appointment.
- 10.00. As Interim Executive Officer, the appointed individual takes on the decision making functions and authorities of the incumbent. It is the responsibility of the office of the Executive to ensure compliance with university policy, procedures and processes when granting delegation of authority (such as signing authority).
- 11.00. Interim Executive Officer appointments may be made for up to three months. In cases where an appointment is needed for more than three months, the procedures for appointing an Acting Executive as per the relevant policies and procedures will apply see sections 5.00 to 7.00 above.
- 12.00. The office of the Executive who will be or is absent will, as appropriate, inform other offices and bodies within and (if applicable) outside the university of the Interim Executive Officer appointment.

RELEVANT LEGISLATION

University Act, RSBC 1996, c 468.

RELATED POLICIES AND DOCUMENTS

University of Victoria Procedures of the Board (2015)

<u>University of Victoria Procedures for the Search, Appointment, or Reappointment of the President and Vice-Chancellor (GV0300)</u>

<u>University of Victoria Procedures for the Appointment and Reappointment of the Vice-</u> President Academic and Provost (GV0305)

<u>University of Victoria Procedures for the Appointment and Reappointment of the Vice-President Research (GV0310)</u>

<u>University of Victoria Procedures for the Appointment and Reappointment of the Vice-</u> President Finance and Operations (GV0315) University of Victoria Procedures for the Appointment and Reappointment of the Vice-President External Relations (GV0320)
University of Victoria Procedures for the Appointment of the University Secretary
(Registrar) (GV0325)

Same



SUBMISSION TO THE UVIC BOARD OF GOVERNORS

FOR ADVICE

To: FINANCE COMMITTEE

From: VICE-PRESIDENT FINANCE AND OPERATIONS

cc: President and Vice-Chancellor

Meeting Date: May 31, 2016

Subject: Signing Authority Policy (FM5100)

Basis for Jurisdiction: Committee's Terms of Reference 6.1

Strategic Relevance:

Objective 36: To manage and protect our human, financial, physical and information resources in a responsible and sustainable fashion.

For the Board's Consideration:

In order to develop the matrix with appropriate dollar values, we are seeking the Board's input with respect to the dollar value threshold of commitments/contracts that would require Board approval. Currently, any commitment in excess of \$5 million requires Board approval. Is the Board comfortable with a \$5 million threshold or should this be changed? The policy will refer to contracts and agreements. The current items are in Appendix A to the policy. Are there other contracts and agreements that should be considered for inclusion?

Background:

The university's Signing Authority Policy (FM5100) is a Board approved policy which was last updated in 2010 with minor editorial changes. It is long overdue for review and updating.

The current policy consists primarily of a detailed schedule identifying various contracts along with the university officers authorized to sign them. While the policy focuses on commitment authority it is silent on other types of signing authority such as approval authority.

Summary:

We have reviewed the signing authority policies of most Canadian universities and found a wide range of approaches and formats. We have developed the attached draft policy and procedures structured as per the following illustration that we believe is clear and easy to follow.

Structure of Proposed Signing Authority Policy and Procedures



We have consulted with a number of groups on campus regarding the direction and structure of the new policy and procedures, including the Executive, President's Advisory Council, Vice-President Finance & Operations direct reports and other key stakeholders and received positive support for the new structure. We would welcome any comments or suggestions the Audit Committee may have.

Over the summer we plan to develop the detailed Schedule A containing the matrix of contracts and authorized signatories and bring the complete policy back to the Board in September. Are there other contracts and agreements that should potentially be added to Appendix A?

In order to develop the matrix with appropriate dollar values, we are seeking the Board's input with respect to the dollar value threshold of commitments/contracts that would require Board approval. Currently, any commitment in excess of \$5 million requires Board approval. Is the Board comfortable with a \$5 million threshold or should this be changed?

For your information the following table outlines examples of the Board signing authority threshold at select Canadian universities.

University	Board Signing Threshold
Saskatchewan	\$500,000
Manitoba	\$1,000,000
Simon Fraser	\$2,000,000
Guelph	\$2,000,000
Queens	\$5,000,000
Waterloo	\$10,000,000
Dalhousie	\$10,000,000
UBC	\$10,000,000

Next Steps:

As noted above, Schedule A that will contain a list of contracts and required approval for each type of contract, will be developed over the summer. Examples of contracts are employment contracts, purchase contracts, etc.

Attachments:

Signing Authority Policy FM5100

Draft Revised Signing Authority Policy FM5100

Schedule B

Draft Signing Authority – Contract Review Procedures

Draft Signing Authority – Approval Procedures

Draft Signing Authority - Delegation Procedures



SIGNING AUTHORITY

University Policy No.: FM5100
Classification: Financial Management

Approving Authority: Board of Governors

Effective Date: April, 2007 Supersedes: March, 1997

Last Editorial Change: September, 2010

Mandated Review:

- 1. Be it resolved that each of the following University officers be and is hereby authorized pursuant to section 53(a) of the University Act, to affix the corporate name and seal of the University on all deeds, transfers, mortgages, instruments, or documents required to be in writing, and to which the University is a party: President, Vice-President Academic and Provost, Vice-President, Finance and Operations; Vice-President, Research, Executive Director of Financial Services; University Secretary (Registrar), Registrar and Executive Director Student Enrolment.
- 2. The level of authority required to enter into contracts and agreements relating generally to the operation and development of the University and to bind the University to the terms thereof shall depend on the dollar amount of such contracts and agreements as set out below; those in excess of \$5,000,000 require the approval of the Board of Governors. Where such approval is required between regular meetings of the Board, the Board authorizes the Board Executive Committee to action its behalf. Persons designated or appointed under this resolution are expected not to exercise their signing authority in circumstances where conflicts of interest exist or could be seen to exist; in addition, they are expected to inform their immediate supervisor when such circumstances exist.

2.1 Up to \$5,000,000

One of: The President; Vice-President, Academic & Provost, Vice-President, Research, Vice-President Development and External Relations, Chair or Vice Chair of the Board of Governors, and

One of: Vice-President, Finance & Operations; Executive Director of Financial Services; University Secretary.

2.2 Up to \$500,000

University personnel identified above may delegate their signing authority to other University employees. See Appendix A.

3. Borrowing and Banking Signing Authority

The President and University Secretary be authorized to execute the normal documents for the transaction of the University of Victoria banking requirements including specifically:

- 3.1 A line of credit of up to \$10 million
- 3.2 The authorization to sign cheques and other banking documents and to sell, assign or transfer securities on behalf of the University:

 Two of: Vice-President Finance and Operations; Executive Director of Financial Services; Manager of Financial Accounting; Manager of Treasury Services; Manager of Pension Administration; Controller; Insurance Officer.

4. Responsibilities of Signing Officers

Persons with signing authority have the following responsibilities:

- 4.1 They must be assured that the University is able meet its obligations within the terms of the contract and that it is likely the other party(ies) can meet its (their) obligations.
- 4.2 They must be assured that the contract complies with labour legislation, employee collective agreements, tax legislation, and other legislative and regulatory requirements.
- 4.3 They must be assured that the appropriate level of approval has been obtained for the contract.
- 4.4 They must be aware of the financial and other benefits which are expected to flow to the University as a result of the contract.
- 4.5 The overhead rate included in the contract must be consistent with University guidelines or amended by the President or a Vice-President.
- 4.6 They have reviewed intellectual property requirements and physical, bodily injury and personal injury indemnities.
- 4.7 The primary office must maintain a register of contractual documents as follows:
 - 4.7.1 a list of the contractual documents signed by that signing officer during the preceding semester;
 - 4.7.2 the name of any other party or parties signing the documents;
 - 4.7.3 a brief description of the subject matter contained in the documents;

- 4.7.4 the date of execution by the University of each document signed on its behalf;
- 4.7.5 the date or dates of such other execution, if the document has been executed by the other party or parties;
- 4.7.6 the effective start and termination date and the actual or estimated amount of each contractual obligation.
 - The Secretary of the Board shall receive a list of the agreements and contracts each term.
- 4.7.7 For more certainty in determining the need for a use of legal advice:
 - i) If the contractual obligation is considered straightforward and the language contains no bias, then legal advice is unnecessary.
 - ii) If the contractual obligation involves a somewhat significant or potentially significant dollar amount(s), it should be referred to the University Secretary or Associate Vice-President Legal Affairs for an opinion as to whether external legal advice should be sought.
 - iii) If legal advice is considered essential due to very significant financial ramifications, then external legal advice must be sought in accordance with the Policy on Retention of External Legal Counsel (Policy AD2100).



SIGNING AUTHORITY PROCEDURE NO. 1 – CONTRACTS AND AGREEMENTS APPENDIX A

Procedural Authority: Financial Management Procedural Officer: Vice-President Financial

Operations

Effective Date: April/07 Supersedes: March/97 Last Editorial Change:

Signing authority to enter into contracts and agreements and to bind the University to the terms thereof, has been delegated as follows:

General

Relating to the general operation and development and expansion of the University except as otherwise provided for in this Appendix:

A. With respect to a single transaction of up to \$500,000:

One of: The President; Vice-President Finance and Operations; Vice-President Academic and Provost; Vice-President Research, and

One of: The Director of an Administrative Department; the University Librarian; Dean of a Faculty or Division.

II. Research

Relating to research contracts:

A. With respect to a single transaction of up to \$500,000:

One of: The President; Vice-President, Academic and Provost; Vice-President, Research; Associate Vice-President, Research; Director of Research Services, and

Dean of a Faculty or Division, and

Chair or Director of the Unit.

B. With respect to a single transaction of up to \$100,000:

One of: Vice-President, Research; Associate Vice-President, Research; Director of Research Services; and

Dean of the Faculty or Division, Director of a Research Centre.

C. Research Grants - relating to the approval of Research and Equipment grant applications.

With respect to a single application not exceeding \$500,000:

One of: Vice-President, Academic and Provost; Vice-President, Research; Associate Vice-President, Research; Director of Research Services, and

Dean of the Faculty or Division, and

Chair or Director of the Unit.

D. Research Agreements on Studies Involving Animals or Humans after review by the relevant committee:

One of: Vice-President, Research; Associate Vice-President, Research; Director of Research Services.

- III. Administrative or Educational or Professional Services: Commitment by the University to Provide (Sell) an Administrative or Educational or Professional Service
 - A. With respect to a single transaction of up to \$500,000:

One of: President; Vice-President, Finance and Operations; Vice-President, Academic and Provost; Associate Vice-President, Academic; and

One of: Executive Director or Director of an Administrative Department; University Librarian; Dean of a Faculty or Division.

B. With respect to a single transaction of up to \$75,000:

One of: the Executive Director or Director of an Administrative Department; the University Librarian; the Dean of a Faculty or Division, and

One of: a Manager of an Administrative Unit; a Chair or Director of an Academic Department; a Head of a Unit in the Library.

C. With respect to a single transaction of up to \$30,000:

One of: President; a Vice-President; an Associate Vice-President; an Executive Director or Director of an Administrative Department; the University Librarian; the Dean of a Faculty or Division.

D. With respect to a single transaction of up to \$10,000:

One of: a Manager of an Administrative Unit; a Chair or Director of an Academic Department; a Head of a Unit in the Library.

IV. Research, Training, Exchange and Cooperation Agreements

A. For practicum agreements:

One of: University Secretary; Assistant University Secretary, and

Dean of a Faculty or Division.

Relating to research, training, exchange, and cooperation agreements including international agreements.

B. For University level agreements:

One of: President; Vice-President Academic and Provost, Vice-President Research, and

One of: Dean of a Faculty or Division; Executive Director International Affairs.

C. For Faculty or Department level agreements:

One of: Vice-President Academic; Vice-President Research; Associate Vice-President Academic, and

One of: Dean of the Faculty or Division; Associate Dean; Assistant Dean

- All international agreements at either the University level or unit level shall be filed with the Executive Director International Affairs.
- V. Purchasing (through the Purchasing Services Department and subject to Purchasing Services Policy FM5105)

Relating to goods and services purchased or arranged through the activities and regulations of the Purchasing Services Department.

A. With respect to a single transaction of up to \$500,000:

Two of: the President, the Vice-President Finance and Operations; the Executive Director of Financial Services; the Director of Purchasing Services.

B. With respect to a single transaction of up to \$200,000:

One of: the Director of Purchasing Services; the Executive Director of Financial Services

and:

A Purchasing Officer in Purchasing Services.

C. With respect to a single transaction of up to \$50,000:

One of: the Director of Purchasing Services; a Purchasing Officer in Purchasing Services.

D. With respect to a single transaction up to \$2,500

Delegated individuals in Science Stores and authorized individuals as per Purchasing Services Policy FM5105 and the Purchasing Card Program Guidelines (see X. below)

VI. Purchasing (Exceptional Circumstances)

Relating to goods and services purchased or arranged outside the scope of the mandate of the Purchasing Department, including the purchase of utilities, the leasing of premises and the maintenance and operation of the buildings and grounds, and not otherwise provided for in this Appendix:

A. With respect to a single transaction of up to \$500,000:

One of: the President, the Vice-President Finance and Operations; the Vice-President Academic and Provost, the Vice-President Research, and

One of: the Executive Director or Director of an Administrative Department; the Dean of a Faculty or Division, Director of a Research Centre.

B. With respect to a single transaction of up to \$200,000:

One of: the Executive Director or Director of an Administrative Department; the Dean of a Faculty or Division, and

One of: a Manager of an Administrative Unit; a Chair or Director of an Academic Department.

C. With respect to a single transaction of up to \$30,000:

One of: President; a Vice-President; an Associate Vice-President; an Executive Director or Director of an Administrative Department; the Dean of a Faculty or Division, a Director of a Research Centre.

D. With respect to a single transaction of up to \$10,000:

One of: a Manager of an Administrative Unit; a Chair or Director of an Academic Department.

VII. Purchasing (Academic Services)

When utilizing this section, it is recommended that the Policy on the Determination of Employee Relationship (HR6325) be reviewed. A Business Firm Retainer form or contract is required whenever there is no employee relationship.

A. With respect to a single transaction of up to \$500,000:

One of: the President, the Vice-President Academic and Provost, the Associate Vice-President Academic, and

One of: the Dean of a Faculty or Division

B. With respect to a single transaction of up to \$50,000:

One of: President; a Vice-President; an Associate Vice-President; the Dean of a Faculty or Division.

C. With respect to a single transaction of up to \$15,000:

One of: a Chair or Director of an Academic Department.

VIII. Purchasing (Acquisition of Library Materials and Services)

A. With respect to a single transaction of up to \$250,000:

One of: the Vice-President Academic and Provost; the University Librarian and one of: a Manager or Head of a Unit in the Library.

B. With respect to a single transaction of up to \$100,000:

One of: the University Librarian; and

One of: a Manager or Head of a Unit in the Library.

C. With respect to a single transaction of up to \$30,000:

One of: the University Librarian; the Law Librarian; the Manager of Collections and Preservation Services; the Manager of Systems Services.

D. With respect to a single transaction of up to \$10,000:

One of: a Manager or Head of a Unit in the Library.

IX Facilities Management (Construction Contracts)

Relating to the construction of new buildings and for additions, alterations or renovations to existing buildings as well as to site services and landscaping:

A. With respect to executing and witnessing the affixing of the corporate name and seal of the University on Contracts conforming to Board approved Standard Construction Contract Documents:

One of: the President, the Vice-President Finance and Operations; Vice-President Academic and Provost; the Vice-President Research, and

One of: the Executive Director of Facilities Management; the Executive Director of Financial Services.

B. With respect to Contracts not exceeding \$250,000:

One of: the Executive Director of Facilities Management; the Director of Purchasing Services, and

One of: a Manager of the Facilities Management Department.

C. With respect to Contracts not exceeding \$30,000:

One of: the Executive Director of Facilities Management; the Director of Purchasing Services

D. With respect to Contracts not exceeding \$10,000:

One of: a Manager of the Facilities Management Department.

X. Purchasing Card

Authorization is given for the MasterCard Purchasing Card Program using software which electronically limits the types of goods and services an authorized cardholder can purchase as well as limiting individual transactions in amounts up to \$2,500 (subject to certain higher transaction limit exceptions below) and restricts daily/monthly aggregate dollar spending. Authorization requires training and documented approval for each cardholder:

With respect to daily/monthly limit of up to \$10,000:

President and Vice-Chancellor; (one of) Vice-Presidents, Associate Vice-Presidents; University Secretary; Deans; Assistant Deans; Associate Deans, Chairs; Executive Directors, Directors, Associate Directors; Executive Assistants; Administrative Registrar; Assistant Directors, Managers, Buyers;

With respect to transactions and a daily/monthly limit of up to \$50,000:

Executive Director, Facilities Management; Director of Purchasing Services;

With respect to transactions of up to \$5,000:

Purchasing Officers in Purchasing Services and Supervisor, Supplier Payments;

With respect to daily/monthly limit of up to \$30,000:

University Librarian; Managers of the Bookstore, Computer Store and Housing, Food and Conference Services, Purchasing Officers, Supervisor, Supplier Payments;

With respect to daily/monthly limit of up to \$5,000:

Supervisors; Administrative Officers; Administrative Support Account Holders; Secretarial Assistant Account Holders, Purchasing Assistants;

With respect to daily/monthly limit of up to \$2,500:

Shop Heads in Facilities Management; other FAST account holders.

Exceptions from the above for exceeding \$2,500 per transaction or temporarily increasing daily/monthly limits may be made by the Vice-President Finance and Operations.



SIGNING AUTHORITY POLICY

University Policy No: FM5100

Classification: Financial Management
Approving Authority: Board of Governors

Effective date:

Supersedes: April 2007 Last Editorial Change: Mandated review:

PURPOSE

1.00 The main purposes of this policy are to provide direction to the members of the university through a consistent framework that ensures that:

- a) Authorities are clearly assigned, properly approved and that delegation instruments are regularly updated;
- b) The responsibilities and duties of those with signing authority are clearly communicated and understood;
- c) Transactions and commitments are only entered into with appropriate authority; and
- d) The university's activities are conducted in a manner that provides sound financial accountability and control of public funds entrusted to the university in accordance with appropriate policies, laws and regulations.

SCOPE

2.00 This policy applies to all contracts, commitments or obligations to which the university is a party and to all funds administered by the university.

DEFINITIONS

3.00 For the purposes of this policy:

"account holder" means the primary person responsible for a budget or restricted fund within the university's financial system.

"approval authority" means the authority to expend uncommitted funds against a budget or other available funding, to which a person has a direct or delegated authority up to the limit of the available funding in compliance with relevant policies and directives.

"commitment authority" means the authority to commit the university to legally binding contracts with external parties.

"contract" means a legally binding promise or agreement between two or more parties for consideration that is enforceable by law.

"one-over-one approval" means approval authority provided by an individual's supervisor attesting to the validity of the expenditure where there may be a potential or perceived conflict of interest so that no one is placed in a position where they authorize a payment to themselves or to their benefit.

"signing authority" means legal authority delegated to specific positions within the university. This encompasses various types of authority including commitment and approval authority.

POLICY

COMMITMENT AUTHORITY

- 3.00 The Board of Governors of the University of Victoria is responsible for the management of the university and its resources. The Board may delegate signing authority and responsibility for matters necessary for the management of day-to-day operations in accordance with the *University Act* to the President, Vice-Presidents and other employees of the university.
- 4.00 The level of authority required to enter into contracts and to bind the university to the terms of such shall depend on the dollar amount of such contracts as set out in **Schedule A** of this Policy.
- 5.00 No person may sign any document that creates an obligation or undertaking on behalf of the university unless that individual has signing authority in accordance with this policy and the attached **Schedule A**.
- 6.00 The delegated signing authority must ensure that contracts are reviewed and approved in accordance with the Contract Review Procedures prior to contract execution.
- 7.00 Signing authority delegated by the Board can be delegated in accordance with the Signing Authority Delegation Procedures.

APPROVAL AUTHORITY

- 8.00 Approval of the university's Budget Framework by the Board of Governors and the subsequent detailed budget approved by the President confers authority upon Account Holders to make expenditures within the amounts and scope of the accounts delegated to them in the budget, subject to:
 - a) the dollar amount limits for single transactions as outlined in **Schedule B**;
 - b) the Signing Authority Approval Procedures;
 - c) relevant University policies and procedures; and
 - d) granting agency or donor terms and conditions, if applicable.
- 9.00 Account Holders of restricted funds (e.g. sponsored research, endowment spending and other specific purpose funds) may approve expenditures within the amounts of the restricted funding available, subject to (a), (b) (c), and (d) above.

10.00 Signing authority may be delegated in accordance with the Signing Authority Delegation Procedures. Account Holders remain accountable to ensure that expenditures do not exceed the funding available, and in the case of restricted funds, are consistent with the restricted intent of the funding.

AUTHORITIES AND OFFICERS

- 11.00 The following is a list of authorities and officers for this policy:
 - i) Approving Authority: Board of Governors
 - ii) Designated Executive Officer: Vice President Finance and Operations
 - iii) Procedural Authority:
 - iv) Procedural Officer: Vice President Finance and Operations

RELEVANT LEGISLATION

University Act, RSBC 1996, c. 468

RELATED POLICIES AND DOCUMENTS

Contract Review Procedures
Signing Authority Approval Procedures
Signing Authority Delegation Procedures
Purchasing Services Policy (FM5105)
Determination of Employee Relationship (HR6325)

SCHEDULE A

To be developed

SCHEDULE B

The following persons are able to authorize expenditures for single transactions up to the limits below assuming sufficient funds are in the budget. Single transactions in excess of an individual's authority require "one-over-one" approval, except sponsored research funding where the principal investigator has authority to sign on expenditures contained within the grant budget and terms.

Dollar Threshold	Position
> 5,000,000	Board of Governors
Up to \$5,000,000	President
Up to \$500,000	Vice President
Up to \$250,000	Associate Vice President
Up to \$100,000	Dean/Executive Director
Up to \$50,000	Chair/Director
Up to \$30,000	Manager/Account Holder



SIGNING AUTHORITY - CONTRACT REVIEW PROCEDURES

Procedural Authority:
Procedural Officer: Vice-President Finance
Parent Policy: Signing Authority Policy (FM5100)

Effective Date: Supersedes: New Last Editorial Change:

PURPOSE

1.00 To outline the process by which university contracts and agreements are reviewed prior to their execution.

SCOPE

2.00 These procedures apply to all agreements, contracts, commitments or obligations to which the university is a party.

DEFINITIONS

3.00 The definitions contained in the university's Signing Authority Policy (FM5100) apply to these procedures.

PROCEDURES

- 4.00 Individuals with signing authority must be assured that:
 - a) The appropriate level of approval has been obtained as per Schedule A of the Signing Authority Policy;
 - b) The university is able to meet its obligations within the terms of the contract and that it is likely the other party can meet its obligations;
 - c) The contract is in accordance with any legislative or regulatory requirements, policies, guidelines, collective agreements, or other obligations of the university;
 - d) They are aware of the financial and other benefits that are expected to flow to the University as a result of the contract; and
 - e) The recovery towards indirect costs included in the contract are consistent with university policies.
- 5.00 In addition to the assurances outlined above, individuals with signing authority must also ensure that contracts receive all necessary reviews including:
 - a) Legal, indemnity and liability review by the Office of the General Counsel
 - b) Insurance review by the Risk Analyst
 - c) Privacy review by the Office of the Chief Privacy Officer
 - d) Faculty Relations review by the Office of the Vice-President Academic

Legal Review

- 6.00 The General Counsel must review all contracts, regardless of value, where there is potential for significant or uncertain liability to the university. While contract signing authorities must use their own judgment in determining which contracts need to be reviewed by the General Counsel, some examples include:
 - a) All contracts with a total annual financial value greater than \$xxx,xxx;
 - b) All contracts involving the lease, acquisition or disposition of an interest in land, regardless of value;
 - c) All contracts with entities from a jurisdiction other than British Columbia, where the laws of that jurisdiction are the governing laws of the contract;
 - d) Contracts that could negatively impact the university's reputation; and
 - e) Contracts where there is the potential for injury to persons, property, or the environment.
- 7.00 If contract signing authorities are uncertain regarding any contract provision, they should seek legal advice from the General Counsel.

<u>Insurance and Indemnity Review</u>

8.00 Contracts that contain insurance and/or indemnity provisions must be reviewed by the Risk Analyst. This ensures that the university is not accepting an unreasonable degree of financial risk.

Privacy Review

- 9.00 Contracts in which a third party may have access to personal information under the custody or control of the university must be reviewed by the Privacy Officer, unless the General Counsel is reviewing the contract and the two offices have determined that an additional review by the Privacy Officer is not required.
- 10.00 Anyone reviewing a contract should refer to the <u>Freedom of Information and Protection of Privacy Act</u>, RSBC 1996, c. 165 (FIPPA), and the university's <u>Protection of Privacy Policy</u>. The Protection of Privacy Policy requires the university to attach the Privacy Protection Schedule to any third party contract or agreement that requires the collection, use, or disclosure of personal information, to ensure that the third party treats personal information in accordance with FIPPA and university policies and procedures.

Faculty Relations Review

11.00 All tenured and tenure-track faculty appointment contracts require review by Faculty Relations and approval of the Vice-President Academic and Provost prior to the conveyance of the written employment offer and/or appointment contract to the candidate. Deans may develop standard appointment contracts and hiring packages which are pre-cleared for use in routine hires.

Exceptions

12.00 Legal, insurance and privacy reviews may not be required in situations where the signing authority has used template agreements that have been previously approved by

the General Counsel or Chief Privacy Officer, with no alternations to legal or risk or privacy terms. Contract signing authorities must consult the General Counsel if they wish to amend a term or condition of such contracts.

- 13.00 Standard contracts or contractual terms adopted for one specific use must never be amended, or terms of one such contract transferred to a different contractual area, without the General Counsel's express agreement.
- 14.00 Contracts falling under the jurisdiction of Office of Research Services, Purchasing Services and Facilities Management are reviewed by each of these respective offices who have contract review procedures in place reflecting the unique nature of their contracts. These offices periodically consult with General Council, the Risk Analyst and the Chief Privacy Officer as required.

High Risk Contracts

- 15.00 Contract signing authorities must bring contracts that:
 - a) Have an unusually high risk factor;
 - b) Bring the university's activities under public scrutiny; or
 - c) Involve any controversial matter,

to the attention of the appropriate Vice-President prior to the contract being signed. The Vice-President may seek advice or approval from the Board of Governors as required.

RELATED POLICIES AND DOCUMENTS

Signing Authority Policy (FM5100)
Purchasing Policy (FM5105)
Privacy Protection Schedule



SIGNING AUTHORITY – APPROVAL PROCEDURES

Procedural Authority:

Procedural Officer: Vice-President Finance

Parent Policy: Signing Authority Policy (FM5100)

Effective Date:
Supersedes: New
Last Editorial Change:

PURPOSE

- 1.00 To outline the responsibilities of those individuals within the university who have authority to approve expenditures and to provide assurance that expenditures:
 - a) are required for university purposes;
 - b) comply with university policy and procedures and applicable granting agency or donor terms, where applicable; and
 - c) avoid any potential or perceived conflict of interest.

SCOPE

2.00 These procedures apply to all funds administered by the university.

DEFINITIONS

3.00 The definitions contained in the university's Signing Authority Policy (FM5100) apply to these procedures.

PROCEDURES

- 4.00 Approval of the university's Budget Framework by the Board of Governors and the subsequent detailed budget approved by the President confers authority upon Account Holders to make expenditures within the amounts and scope of the accounts delegated to them in the budget and subject to the dollar limits outlined in "Schedule B" of the Signing Authority Policy.
- 5.00 Individuals responsible for restricted funds such as research and specific purpose funds, including endowment spending, are authorized to make expenditures within the amounts and scope of the funding received.
- 6.00 Account Holders must ensure that expenditures are required for university purposes and are in compliance with university policies and procedures and granting agency or donor terms and conditions, where applicable. Any expenditure that may be deemed ineligible or inappropriate is the responsibility of the Account Holder.
- 7.00 While administrative staff may prepare expenditure transactions for approval, the approver is ultimately accountable for transactions they have signed.

- 8.00 Approval signatures affixed to expenditure transactions, whether written or electronic, attest to the following criteria:
 - a) That expenditures are required for university purposes
 - b) That expenditures comply with university policy and procedures and, where applicable, granting agency or donor terms and conditions.
 - c) That the transaction form has been filled out accurately and completely and that appropriate supporting documentation is provided.
 - d) That sufficient uncommitted funds are available in the account to be charged.
- 9.00 The university reserves the right to withhold the commitment or payment of expenditure transactions that do not meet all of the criteria outlined in section 8.00.

One-Over-One Approval

- 10.00 Expenditure transactions that may represent a potential or perceived conflict of interest must be approved by the claimant's supervisor. The one-over-one approval provides assurance that due diligence has been exercised and ensures that no one is placed in a position where they can to authorize a payment to themselves or to their benefit.
- 11.00 The claimant must provide complete, accurate information and documentation to substantiate the claim in order for the one-over-one approver to sign off.
- 12.00 Examples of where one-over-one approval is required are as follows:
 - a) Travel expense claims and advances:
 - b) Expense Claims including hospitality;
 - c) Petty cash reimbursements:
 - d) PCard statements:
 - e) Honoraria, consulting fees or other payments; and
 - f) Payments to family members or relatives.
- 13.00 The above examples are a guide only and do not represent an exhaustive list. If there is uncertainty that an expenditure represents a potential or perceived conflict of interest, then one-over-one approval should be obtained.

RELATED POLICIES AND DOCUMENTS

Signing Authority Policy (FM5100)
Purchasing Policy (FM5105)



SIGNING AUTHORITY – DELEGATION PROCEDURES

Procedural Authority:

Procedural Officer: Vice-President Finance

Parent Policy: Signing Authority Policy (FM5100)

Effective Date: Supersedes: New Last Editorial Change:

PURPOSE

1.00 To outline the process by which commitment and approval authorities can be delegated.

SCOPE

2.00 These procedures apply to both commitment and approval authority as outlined in the university's Signing Authority Policy and to all funds administered by the university.

PROCEDURES

Commitment Authority

- 3.00 Individuals who have been delegated commitment authority by the Board of Governors, as set out in "Schedule A" of the university's Signing Authority Policy may sub-delegate their authority to sign contracts on behalf of the university by temporarily appointing another individual to their position in an acting capacity.
- 4.00 The person holding an acting position will have the same commitment authority as the person making the sub-delegation, subject to the dollar limits outlined in "Schedule A" to the Policy.
- 5.00 The person holding the acting position who receives a sub-delegation of commitment authority cannot further sub-delegate this authority to others.
- 6.00 Individuals delegated commitment authority by the Board remain ultimately accountable for the contracts executed by their delegates.
- 7.00 The temporary appointment of a person to an acting position may only be made to an employee of the university. Temporary is considered to be less than one month.
- 8.00 The sub-delegation must be in writing using the prescribed form.

Approval Authority

9.00 Account Holders are assigned responsibility for budgets and FAST accounts by virtue of their position.

- 10.00 Account Holders may delegate authority to approve expenditures, subject to the amounts allocated in their budgets or for a lower fixed dollar value, and within the limits outlined in "Schedule B" of the Signing Authority Policy.
- 11.00 Delegations can be temporary or ongoing.
- 12.00 Only the Account Holder may delegate approval authority to other employees.
- 13.00 Account Holders remain accountable for expenditures approved by delegates even though delegates have been granted responsibility.
- 14.00 One-over-one approval authority cannot be delegated although if another person is appointed in a temporary acting capacity to the Account Holder's position they will inherit the Account Holder's approval authority as well as one-over-one approval authority.
- 15.00 Delegation of approval authority must be in writing using the prescribed form.

RELATED POLICIES AND DOCUMENTS

Signing Authority Policy (FM5100) Purchasing Policy (FM5105)



SUBMISSION TO THE UVIC BOARD OF GOVERNORS

13 May 2016

FOR INFORMATION

To: Board of Governors

From: Carmen Charette, Vice-President External Relations

cc: President and Vice-Chancellor

Meeting Date: 31 May 2016

Subject: EXTERNAL RELATIONS UPDATE

ALUMNI AND DEVELOPMENT

Alumni and Development has provided a detailed year-end report to the Board (#BOG-May31/16-21) which includes updates on initiatives to improve donor communications; a synopsis of the highly successful 2016 Alumni Week; a summary of programs designed to foster a culture of philanthropy on campus; and a report-out on the fundraising goal.

CEREMONIES AND EVENTS

- Successful awards events recently included the President's Distinguished Service Awards, Retirees Recognition Dinner, Craigdarroch Research Awards and the inaugural Teaching Awards. Ceremonies is also preparing for spring Convocation which will include Honorary Degrees being conferred upon Clara Hughes, Frank Parnell, Mary Simon, Richard Atleo and William J. Mussell.
- Ceremonies is leading a community outreach strategy for UVic to participate in community parades. The Victoria Day Parade featured a VIKES presence, and broader plans are being developed for 2017.

FARQUHAR AUDITORIUM

- The Farquhar Auditorium is starting the high school graduation season and will be host to thousands of high school graduates and their families. The Farquhar team is working with Student Affairs, Recruitment and Alumni Relations to ensure UVic has a presence in congratulating and welcoming these guests to our campus on their special day.
- On July 8, the Farquhar Auditorium will present, in partnership with the Transgender Chair and Archives, The Missing Generation by San Francisco's Sean Dorsey Dance. Sean Dorsey is an award-winning trans dance artist and his presentation brings the oft-forgotten voices of the AIDS crisis to life in a moving and beautiful dance theatre performance. The event is supported by community partners such as the Victoria Pride Society, Dance Victoria and the Intrepid Theatre, with proceeds to benefit the Transgender Chair and Archives.

LEGACY ART GALLERIES

- Legacy worked with master wood carver and expert in native artifact restoration John Livingston to successfully restore the Charles Elliott *S,yewe Legend Pole* originally installed 25 years ago in the UVic Quad. The pole had suffered severe water damage over the years, and with assistance from Facilities Management it has now been re-installed using a new raised mounting system to prevent future damage from pooling water. Ceremonial rededication of the pole is planned later this year in conjunction with the launch of the Indigenous Academic Plan.
- Continuing its 2016-17 intensive focus on celebrating Indigenous culture, Legacy is working
 with Dr. Andrea Walsh, Department of Anthropology, to develop an exhibition project that
 opens June 8. Out of the Frame presents the work of eight Salish artists who will create a
 collectively produced work of art using innovative printmaking technology under the technical
 guidance of master printer Andy McDougall of Wachiay Studio in Courtenay. The participating
 artists hope to "challenge 'normal" in screen printing and take it into new realms of creativity.
- Legacy and the Dean of Social Sciences hosted a field trip on May 6 to the Museum of Anthropology (MOA) at UBC for 20 UVic faculty, staff and stakeholders. The behind-the-scenes tour and discussions with MOA and UBC staff about teaching and research access to collections, gave our group much to consider as we explore possibilities and envision a facility in the Cornett courtyard for UVic's cross-disciplinary collections teaching and research.
- Legacy continues to contribute to UVic's dynamic learning and extraordinary environment by
 connecting with faculty and offering the collection as a teaching resource. An Academic and
 Community Programs Coordinator has been hired to start in June and work directly with
 faculty to identify areas of their curriculum that could be supported by teaching and research
 activities with the collection. The coordinator will also work with community groups such as the
 City and the school boards to develop public programs utilizing the Gallery, its collections and
 the cultural research of faculty and students.

COMMUNITY AND GOVERNMENT RELATIONS

Business Council of BC: Jennifer Vornbrock will be part of the Team BC Business Mission to Ottawa taking place June 1. The delegation consists of senior leaders from BC's business and First Nations communities representing the diverse sectors which make up BC's economy, and most familiar with the conditions impacting BC's ability to attract talent, capital and investment. The Business Council is coordinating meetings with key MPs, cabinet ministers and deputy ministers and the mission will focus on issues of importance to BC and the priorities of the province's largest employers.

Greater Victoria Chamber of Commerce: The annual AGM and Mayoral address took place on May 10 during which Mayor Helps shared her thoughts on Victoria's present and future. She emphasized a need to focus on Victoria's strengths through collaborative projects such as City Studio, international trade missions highlighting Victoria's growing tech sector, and economic development opportunities. Following the AGM, the new Chamber CEO was announced. Catherine Holt succeeds Bruce Carter, with transition beginning June 2.

South Island Prosperity Project (SIPP): Renamed from the South Vancouver Island Economic Development Association, SIPP has appointed Emilie de Rosenroll as its first Executive Director. An early priority for the new Executive Director will the development of SIPP's Strategic Plan for 2016-2021. UVic remains an active member of this initiative and is currently working to address SIPP's research needs related to their strategic planning process. In particular, UVic will support an environmental scan including economic research, asset mapping, community profiles and baseline measures.

Refugees: Over 600 government- and sponsor-assisted refugees have arrived in our region in the past few months. Priorities for the many social agencies involved with settlement activities include housing, orientation, placement of children in schools, and job searches. UVic continues to serve on the Education Working Group of the Victoria Refugee Response Team to coordinate and share information regarding participation in Continuing Studies language and professional development coursework and on the access for refugee students to UVic's academic programs through its funding for the World University Services Canada (WUSC) UVic Local Committee.

United Way: At their annual Spirit Awards on April 22, the United Way Greater Victoria presented their most prestigious honour—the Chair's Award of Distinction—to President Jamie Cassels, in recognition of his longstanding commitment to the United Way, both in his professional capacity at UVic, and in his personal support over many years. UVic also won the Post-Secondary Cup, the second year in a row for the job well done in our fundraising efforts.

Vancouver Board of Trade (VBOT): Community and Government Relations staff attended the VBOT announcement of the Regional Economic Scorecard in association with the Conference Board of Canada on 18 May, as well as the May 27 VBOT luncheon 'Education: British Columbia's Best Resource Driver'. As we continue developing a strategy for an increased UVic 'presence' in Vancouver, a business dinner with a small number of high-profile VBOT members, alumni and donors has been confirmed for June 23. President Cassels will lead a conversation to explore the complementary strengths that UVic and the business sector can bring together to address, respond to and possibly resolve some of the major issues facing the region, nation and society at large.

Universities Canada: Ms. Pari Johnston, Vice-President Policy and Public Affairs, visited campus on May 16 and was introduced to number of UVic's key programs and departments. In addition, a luncheon was hosted for Ms. Johnston with Deans, AVPs and others to hear more about what is on Universities Canada's radar with the new federal government.

Public Policy Forum: UVic is member of the Public Policy Forum and a sponsor of the Western Annual Dinner and Awards coming up this fall. We have been asked to nominate individuals for the annuals awards and are working with UVic's Award Facilitator on potential nominees. 2015 winners included Justice Murray Sinclair, Gary Doer and Lloyd Axworthy.

MUNICIPAL GOVERNMENT

- **City Studio:** Three UVic representatives are participating on the City Studio Operations Task Force, working toward the creation of the vision, mission and metrics for success. UVic offered a senior level Geography course in the spring term, focused on planning for cycling in the city. A summer session course titled *Growing Community: From the Ground Up* is currently underway.
- City of Victoria: UVic is working with the City of Victoria and several other partners including Camosun, RRU, Tourism Victoria and local businesses to support the City's vision to export innovation. Following the success of the recent San Francisco/Capital Mission, there are plans to return to San Francisco in October for an event. In addition, planning is underway for a Trade Mission to China/Japan nicknamed Mission: Exporting Innovation. The City and its partners are keen to take advantage of shifts in China and Japan towards the green economy, and the mission will focus on export readiness and innovation, and education/entrepreneurialism. Dates are still being explored with significant opportunities in October to coincide with the Destination Canada Showcase and the opening of Canada House, a business incubator, in Nanjing.
- Union of BC Municipalities (UBCM): Victoria will host UBCM this September and we are
 considering opportunities for Session Proposals to profile UVic's leadership on a number of
 key issues related to BC municipalities. Some ideas include oceans and climate science
 research and innovation, the Indigenous Academic Plan, and/or student engagement and
 building a 21st century workforce.

PROVINCIAL GOVERNMENT

- In accordance with the Advanced Education Minister's mandate letter, work continues on the common application platform (COAP). Based on a recommendation of the COAP Sector Advisory Committee on which Valerie Kuehne serves, Apply BC and Education Planner services will be integrated and a new Education Planning and Application Service website will be established as an interim step to be operational this spring. A second phase will include full technical integration and expansion of services. Timing will be determined based upon the development of a detailed business plan.
- Work continues with RUCBC on a sector-wide proposal for engineering funding.
- Deputy Premier Rich Coleman is currently chairing a secretariat undertaking a review of child and youth mental health services in the province. Advanced Education is working with PSIs to identify services available to students. Recommendations on potential improvements to services will be made to Cabinet by June 30. We continue to track this item as a government priority.
- Another government priority that moved to legislation is the new Bill 23 2016: Sexual Violence and Misconduct Policy Act. Expected to pass the Legislature by end of session.
- On April 18, the Advanced Education DM and two ADMs visited ONC. It was a very productive
 meeting with the ministry leadership, the ONC team, and the Vice-Presidents of Research and
 External Relations. Following up on a recommendation from senior staff, an invitation was
 extended to Minister Wilkinson to tour E/V Nautilus before it departed on May 10th for offshore
 maintenance of the NEPTUNE observatory. The Minister was out of town at the time but his
 office indicated a strong interest in a future visit.
- President Cassels attended a May 5 meeting of the BC post-secondary institutions organized by RUCBC, the BC Association of Institutes and Universities and the BC Colleges. Discussion topics included AVED-related business, and potential future collaboration on Indigenous learners and policy coordination.

FEDERAL GOVERNMENT

- Six UVic projects totalling \$79.65M were submitted to Innovation, Science and Economic Development as part of the \$2 billion Strategic Investment Fund. Results are expected in June.
- MP Murray Rankin visited campus on May 13. Discussion topics included climate change, Le,NONET, entrepreneurship, and CARBC's research in addictions and mental health.
- On April 28, UVic hosted visits from two federal ADMs: Lawrence Hanson of Innovation, Science and Economic Development, and Karen Dodds of Environment and Climate Change Canada.
- David Castle and Nikki Macdonald are engaged in discussions with a number of federal departments on partnerships for ONC and CFREF.

COMMUNICATING THE UVIC EDGE - PROGRESS REPORT

The communications and marketing plan implementation continues in the following 10 priority areas:

- Establish a strong governance model for managing the UVic positioning and identity:
 The Edge Team met April 15 and meets again in June. The Strategic Positioning Council met May 2 and will meet again in the fall.
- Create a communications and marketing master planning process: The summary version
 of the plan is available on the Edge brand guidelines site. A separate timetable of specific
 initiatives and activities is used within UC+M to guide implementation of the plan through
 2017-18.

- 3. **Update UVic "look and feel":** Additional downloadable elements and templates for the use of the university community are being added regularly, and an affordable Edge-style presentation folder was created through a partnership with the UVic Bookstore and distributed to units across campus. The university's new "Edgified" Annual Review has been produced and distributed. A re-branding process to bring Co-op Education and Career Services (a key unit in delivering on UVic's "dynamic learning") into the Edge is now being implemented.
- 4. Launch and support positioning internally: The manager for the department and unit implementation team (DU-IT) started April 4 and the officer will join UVic in late May. A posting for the part-time photographer/videographer is going up in May. Over two years, this small dedicated team will support adoption of the Edge across campus through writing, design, photography, videography, and project management services to faculties and academic departments/schools, in support of their student recruitment goals and to assist them to adopt the Edge look, feel, and voice more generally. It will also create Edge-consistent introductory materials for research centres. The kick-off meeting with chairs and directors in Social Sciences, the first faculty in the process, was held May 12. Support materials have been created and a schedule for Social Sciences units has been created. The schedule for other faculties is subject to a call for expressions of interest and prioritization of the responses.
- 5. Create a media-rich storytelling strategy: A video subcommittee of the Edge Team has been created to encourage and support the use of videos in storytelling on campus. Common Edge elements to brand UVic videos have been developed and shared with key units, and the project to develop a UVic video style is nearing completion. The latter will be particularly useful for student and alumni testimonial videos. A video gallery structure that works with YouTube will be launched this summer to make it easier for units to employ video on their websites. The first contest to acquire authentic first-person, user-generated videos of the student experience wrapped up in April.
- 6. **Update key UVic website elements:** More than 150 faculty, department, centre and program websites are now in the Edge template either as newly-built sites or existing sites that have been transitioned. Planning is underway to create more prominent hubs for UVic's activities in the areas of Indigenous initiatives, international activities and sustainability.
- 7. Create a content management strategy for social media: UVic's first social media coordinator took up her duties full-time on January 1. Social media guidelines for the university are currently being circulated for consultation and adoption. The purchase of a social media management platform to allow more effective tracking of and participation in social media conversations, as well as promoting collaboration and sophisticated statistical analysis of our efforts is in the final stages of an RFP process. An eventual institutional social media strategy is in the early stages of development.
 - The MyUVicLife student blog is wrapping up its successful second year. The blog allows viewers to follow the daily experiences of 23 of our undergrad students to provide a window on what it's like to be a UVic student. It includes photos, videos and narratives, and the opportunity to ask questions and share their moments. Monthly visits to the site grew from 10,000 in October to 40,000 in April. Overall, there were 196,393 visits to the site between July 1 and April 30. Contests are used to encourage the bloggers to provide first-hand accounts of their experience with dynamic learning, vital impact and our extraordinary academic environment.
- 8. Create a more dynamic recruitment experience: Work on the 2016 version of the student welcome and recruitment packages is well underway and video, stage presentation, and support elements were created for UVic's participation in the April 20 "Me-to-We Day" event in Seattle.
 - The virtual tour of campus launched last October has been viewed more than 18,000 times as of mid-May. The average time on the site remains between eight and nine minutes, indicating

a high level of engagement, and UVic's "conversion" rate for visitors asking for more information, booking a physical tour, or applying to UVic continues to be double the average for other universities.

A proposal to create a web-based Career Edge Toolkit that would allow students to chart their multi-stage journey interactively through co-curricular and dynamic learning opportunities at UVic, university learning outcomes, and career preparation steps is proceeding to the university's IT Governance process.

- 9. Develop and implement a paid advertising campaign: The creative development and media buying for a multi-year advertising campaign are in the planning stages. The integrated campaign will run August 2016 through February 2017. It targets societal leaders and decision-makers in Vancouver, Ottawa and Victoria as well as prospective undergraduate students (high school students 15-18 years of age in grades 10, 11 and 12) in BC and select regions in Calgary and the Greater Toronto area.
- 10. **Promote UVic's thought leadership:** Invitations have been issued to the "University of Victoria presents The Walrus Talks Quality of Life: eight thinkers on health, wellness, aging, the way we live, and much more" event June 2 at the BMO Theatre in Vancouver. The speaker roster will include UVic experts on palliative care/medically-assisted dying, and aging and dementia as well as compelling speakers from other fields and organizations. The event will be preceded by a reception for invited guests and alumni.

A research 'sales piece' focusing on UVic's research strengths and ranking performance is nearing completion.